

APPROVED
JUN 15 2011

REPORT OF GENERAL MANAGER

NO. 11-182

DATE June 15, 2011

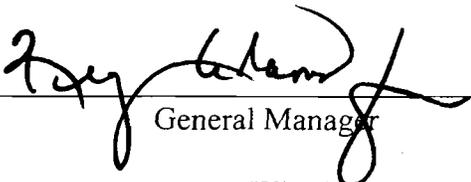
BOARD OF RECREATION
AND PARK COMMISSIONERS

C.D. 3

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: RESEDA PARK – POOL REPLACEMENT AND BATHHOUSE RENOVATION
(PRJ#1618P) (W.O. #E1907292) PROJECT – REVIEW OF BIDS AND AWARD
OF CONTRACT

R. Adams	_____	K. Regan	_____
H. Fujita	_____	*M. Shull	<u>MS for</u>
V. Israel	_____	N. Williams	_____



 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Find the bid of HMI Construction Service (HMI) for the Reseda Park – Pool Replacement and Bathhouse Renovation (PRJ#1618P) (W.O. #E1907292) Project, to be non-responsive for its failure to submit the Pool Contractor’s Minimum Qualifications - - Experience With Public Swimming Pools Construction form (pages GR-S3 and GR-S4), which are required to be submitted with the bid;
2. Find Morillo Construction, Inc. (Morillo), with a base bid of \$2,467,000, to be the lowest responsive and responsible bidder for the Reseda Park – Pool Replacement and Bathhouse Renovation (PRJ#1618P) (W.O. #E1907292) Project;
3. Award the contract for the Reseda Park – Pool Replacement and Bathhouse Renovation (PRJ#1618P) (W.O. #E1907292) Project to Morillo, for a total award amount of \$2,467,000, all according to plans and specifications, with no deductive alternates;
4. Authorize the Department’s Chief Accounting Employee to encumber funds in the amount of \$2,467,000 from the following fund and account numbers under the award authority of this Board Report; and,

REPORT OF GENERAL MANAGER

PG. 2 NO. 11-182

<u>FUNDING</u> <u>SOURCE</u>	<u>FUND/DEPT./</u> <u>ACCT. NO.</u>	<u>ENCUMBRANCE</u> <u>AMOUNT</u>
CRA-RAP COOPERATIVE PRJ FUND	205/88/FMM0	\$2,282,116
RESEDA POOL REPLACEMENT (Municipal Recreation Program)	302/89/845M	\$ 184,884
Total:		\$2,467,000

5. Authorize the Board President and Secretary to execute the contract subject to approval by the City Attorney as to form.

SUMMARY:

On February 18, 2011, the Board approved the final plans and called for bids for the Reseda Park – Pool Replacement and Bathhouse Renovation (PRJ#1618P) (W.O. #E1907292) Project, located at 18411 Victory Boulevard, Reseda, California 91335 (Board Report No.11-050). Plans for this project were prepared by Lehrer Architects, under the direction of the Department of Public Works Bureau of Engineering (BOE), Architectural Division.

The proposed scope for this project involves site preparation and construction of a new 75-foot x 120-foot swimming pool with a new pump house, a decorative pool deck, perimeter fencing, shade structures, shade towers, stadium light poles, a pool and bathhouse heating system, parking lots, landscaping, planting, and irrigation.

The City Engineer’s estimate was \$2,900,000. Five deductive alternates were identified, with the work associated with each Deductive Alternate described as follows:

Deductive alternative No. 1:

Lump sum price to be subtracted from the Base Bid at the discretion of the Board at the time of award of deletion of all work associated with the installation of stadium light poles and their wiring to the pool area.

Deductive alternative No. 2:

Lump sum price to be subtracted from the Base Bid at the discretion of the Board at the time of award of deletion of all work associated with the construction of the colored concrete insert in the site and pool deck paving.

Deductive alternative No. 3:

Lump sum price to be subtracted from the Base Bid at the discretion of the Board at the time of award of deletion of all work associated with the construction of shade structures on east and west sides of the pool.

REPORT OF GENERAL MANAGER

PG. 3 NO. 11-182

Deductive alternative No. 4:

Lump sum price to be subtracted from the Base Bid at the discretion of the Board at the time of award of deletion of all work associated with the construction of five shade towers on the south side of the pool.

Deductive alternative No. 5:

Lump sum price to be subtracted from the Base Bid at the discretion of the Board at the time of award of deletion of all work associated with the construction of colored concrete paving at all parking areas and driveways.

On April 12, 2011, the Board received a total of eight bids as follows:

<u>Bidders</u>	<u>Base Bid</u>	<u>Ded. Alt. 1</u>	<u>Ded. Alt. 2</u>	<u>Ded. Alt. 3</u>	<u>Ded. Alt. 4</u>	<u>Ded. Alt. 5</u>
HMI Construction Service	\$2,387,000	\$51,000	\$4,000	\$34,200	\$102,750	\$9,700
Morillo Construction, Inc.	\$2,467,000	\$49,000	\$21,000	\$57,000	\$104,000	\$127,000
K-Son Construction, Inc.	\$2,770,000	\$50,000	\$2,000	\$40,000	\$80,000	\$3,000
Bravo Concrete Construction Services, Inc.	\$2,820,748	\$65,000	\$10,200	\$158,120	\$195,755	\$14,040
Cavecche Engineering & Construction Co., Inc.	\$2,828,335	\$48,000	\$20,770	\$38,770	\$143,720	\$22,511
Los Angeles Engineering, Inc.	\$2,834,000	\$40,000	\$5,600	\$15,525	\$51,000	\$8,500
CWS Systems, Inc.	\$2,859,000	\$49,000	\$3,500	\$81,000	\$75,000	\$4,500
Acon Development, Inc.	\$3,222,965	\$59,000	\$2,600	\$40,000	\$50,000	\$2,950

The bid documents stated that the determination of the lowest bidder would be based on the Base Bid amount without consideration of any of the Deductive Alternatives. This project is also subject to the Minority Business Enterprise, Women Business Enterprise, and Other Business Enterprise (MBE/WBE/OBE) Subcontractor Outreach Program. In order to comply with Good Faith Effort Outreach (GFE) requirements of the Subcontractor Outreach Program, bidders must submit GFE documentation sufficient to achieve a minimum of 75 out of 100 GFE evaluation points as outlined in the Board's Outreach Program. Morillo, the apparent second lowest bidder, satisfied 90 out of the 100-point requirements outline by the Board's Outreach Program, which requires a score of at least 75 points out of 100 to achieve a "good faith effort". The outreach document package is on file in the Board Office, and a synopsis of the said package is attached.

The Instructions to Bidders required that the prime contractor shall perform, with its own organization, contract work amounting to at least 20% of the base bid price. Based on information provided in the Morillo bid on Schedule "A", the sum total of the work being done by the listed subcontractors amounts to 65% of the base bid. Thus, Morillo, the prime will perform 27% of the

REPORT OF GENERAL MANAGER

PG. 4 NO. 11-182

base bid amount, which exceeds the prime contractor self-performance amount requirement of 20% as specified in the bid documents.

The Supplementary General Requirements in the bid package expressly states that the POOL CONTRACTOR'S MINIMUM QUALIFICATIONS - - EXPERIENCE WITH PUBLIC SWIMMING POOLS CONSTRUCTION "MUST BE SUBMITTED WITH THE BID" and that "FAILURE TO MEET THE MINIMUM QUALIFICATIONS OF THE POOL CONTRACTOR OR FAILURE TO SUBMIT THIS FORM WITH THE BID WILL RESULT IN THE BID BEING NON-RESPONSIVE." HMI, the apparent low bidder, did not submit the required Pool Contractor's Minimum Qualifications form (pages GR-S3 and GR-S4) with its bid. This requirement cannot be waived. Consequently, HMI's bid is therefore non-responsive.

Based on the above information, Morillo is the lowest responsible and responsive bidder. The City Attorney and staff have reviewed the bid submitted by Morillo, and found it to be in order; therefore, staff recommends that the Board find Morillo, to be the lowest responsive and responsible bidder. There is sufficient funding to award the entire project without exercising any of the Deductive Alternates.

Staff reviewed the responsiveness and work performance of Morillo on past Department projects and found them to be satisfactory. The Department of Public Works, Office of Contract Compliance indicated that there have been no labor compliance violations and that all other legal requirements have been complied with by the bidder.

In accordance with the requirements of the California Environmental Quality Act (CEQA), a Mitigated Negative Declaration (MND) that included the development elements of the project was reviewed and adopted by the Board on November 15, 2010. The MND was filed with the Los Angeles City Clerk on November 16, 2010 and the Los Angeles County Clerk on November 18, 2010.

FISCAL IMPACT STATEMENT:

The project will be funded by a combination of the aforementioned funding sources. There is no immediate fiscal impact to the Department's General Fund. However, operations and maintenance costs will be evaluated and included in future Department budget requests.

This report was prepared by Alex Ngo, Project Manager, BOE, Architectural Division. Reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, BOE, Department of Public Works, Deborah Weintraub, Chief Deputy City Engineer, BOE, Department of Public Works and Michael Shull, Superintendent, Planning, Construction and Maintenance Division, Department of Recreation and Parks.

GOOD FAITH EFFORT CHECKLIST

Bidder: Morillo Construction

Bid Date: April 12, 2011

PROJECT: Reseda Park Pool Replacement and Bathhouse Renovation (E1907292)

Indicator	Required Documentation	Description of Submitted or Missing Documentation	Points	
1	The bidder's or proposer's efforts to obtain participation by MBEs, WBEs and other business enterprises could reasonably be expected by the Board of Recreation and Park Commissioners (the "Board") to produce a level of participation by interested sub-contractors, including 15% MBE and 2% WBE.		0	0
2 Pre-Bid Meeting	a) Attend pre-bid meeting and be listed on the attendance sheet; or b) Submit a letter prior to the pre-bid meeting either by fax to (213) 847-0703, or by mail to the Bureau of Engineering, Project Award and Control Division, 1149 S. Broadway, 1 st Floor, Los Angeles, Ca. 90015.	Submitted job walk attendance sheet and not pre-bid mtg attendance sheet	10	0
3 Work Areas	Proof of this must be demonstrated in either Indicator 4 or 5.		13	13
4 Ad	A copy of the advertisement or a proof of publication statement or other verification which confirms the date the advertisement was published. The advertisement must be specific to the project, not generic, and may not be a planholder advertisement provided by the publication. It should include the City of Los Angeles project name, name of bidder, areas of work available for subcontracting, and a contact person's name and telephone number, information on the availability of plans and specifications and the bidder's policy concerning assistance to subcontractors in obtaining bonds, lines of credit and/or insurance. Consideration will be given to the wording of the advertisement to ensure that it did not exclude or seriously limit the number of potential respondents.		9	9
5 Letters to Potential Subs	A copy of each letter sent to available MBEs, WBEs and OBEs for each item of work to be performed. If there is only one master notification, then a copy of the letter along with a listing of all recipients will suffice. Faxed copies must include the fax transmittal confirmation slip showing the date and time of transmission. Mailed letters must include copies of the metered envelope or certified mail receipts. Letters must contain areas of work to be subcontracted, City of Los Angeles project name, name of the bidder, and contact person's name, address, and telephone number.		10	10
6 Follow-up to Letters	A copy of telephone logs. These logs must include the name of the company called, telephone number, contact person, who did the calling, time, date, and the result of the conversation. Bidder must follow-up with all subcontractors to whom they sent letters.		10	10
7 Plans	Include in Indicator 4 or 5, information detailing how, where and when the bidder will make the required information available to interested subcontractors.		5	5
8 Outreach Letters	A copy of each letter sent to outreach agencies requesting assistance in recruiting MBEs, WBEs and OBEs. Faxed copies must include the fax transmittal confirmation slip showing the date and time of transmission. Mailed letters must include copies of the metered envelopes or certified mail receipts. Letters must contain areas of work to be subcontracted, City of Los Angeles project name, name of the bidder, and contact person's name, address, and telephone number.		10	10
9 Negotiate in Good Faith	a) Copies of all MBE/WBE/OBE bids or quotes received; and b) Summary sheet organized by work area, listing bids received and the subcontractor selected for that work area. If the bidder elects to perform a listed work area with its own forces, they must include a bid that shows their own costs for the work.		26	26
10 Bonds	Include in Indicator 4 or 5, information about the bidder's efforts to assist with bonds, lines of credit and insurance.		7	7
TOTAL POINTS ACHIEVED			90	
MBE/WBE % ACHIEVED:			0%/ 0%	

MBE= 0%

WBE= 0%

OBE= 73%

PRIME= 27%

RESPONSIVE