

APPROVED
NOV 19 2014

REPORT OF GENERAL MANAGER

NO. 14-287

DATE November 19, 2014

BOARD OF RECREATION
AND PARK COMMISSIONERS

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: CENTRAL RECREATION CENTER - POOL AND BATHHOUSE RENOVATION
(PRJ20251) (W.O. #E1907620) PROJECT - REVIEW OF BIDS AND AWARD OF
CONTRACT

R. Adams _____

V. Israel _____

for *R. Barajas USD

K. Regan _____

H. Fujita _____

N. Williams _____

M. Allen

General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Find Acon Development, Inc., with a base bid of \$3,475,820.00, to be the lowest responsive and responsible bidder for the Central Recreation Center - Pool and Bathhouse Renovation (PRJ20251) (W.O. #E1907620) project;
2. Award the contract to Acon Development, Inc., for a total award amount of \$3,475,820.00, all according to the plans and specifications;
3. Authorize the Department Chief Accounting Employee to encumber funds in the amount of \$3,475,820.00 from the following fund and account numbers under the awarding authority of this Board Report;

| <u>Funding Source</u> | <u>Fund/Dept./Acct. No</u> | <u>Encumbrance Amount</u> |
|---|----------------------------|---------------------------|
| Quimby | 302/89/89440K-CR | \$1,262,310.00 |
| Proposition K | 43K/10/10LM06 | \$ 473,710.00 |
| Housing-Related Parks (HRP) Program (Proposition 1C) | 89/205/TBD | <u>\$1,739,800.00</u> |
| Total | | \$3,475,820.00 |

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4. Authorize the Board President and Secretary to execute the contract, subject to approval by the City Attorney as to form; and,
5. Authorize the Department's Chief Accounting Employee to make technical corrections as necessary to carry out the intent of this Report.

SUMMARY:

On August 13, 2014, the Board approved final plans and specifications for the Central Recreation Center – Pool and Bathhouse Renovation (PRJ20251) (W.O. #E1907620) project, located at 1357 East 22nd Street, Los Angeles, California 90011 (Board Report No. 14-211). The plans and specifications were prepared by the Department of Public Works (DPW), Bureau of Engineering (BOE), Architectural Division, in conjunction with the design consultant, Lehrer Architects LA, under the direction of BOE, Architectural Division.

The proposed scope for this project includes the following:

1. The demolition of the existing 6,570 square-foot swimming pool, which is currently underway under a separate contract by a Board of Public Works on-call contractor. There is a minor demolition work requirement included in this contract.
2. Construction of a new 6,300 square-foot swimming pool.
3. Renovation of the existing bathhouse, including Americans with Disabilities Act (ADA) improvements.

The Central Pool was damaged during the 1994 Northridge Earthquake and was in-and-out of service until it finally closed in 2004. The bathhouse was originally constructed in 1970. The bathhouse has never been remodeled and it is no longer serviceable. The Central Recreation Center - Pool and Bathhouse Renovation (PRJ20251) (W.O. #E1907620) project will construct a new pool for the facility and renovate the existing bathhouse.

On September 23, 2014, the Board received a total of eight (8) bids, as follows:

| <u>Bidders</u> | <u>Base Bid</u> |
|----------------------------|-----------------|
| Acon Development, Inc. | \$3,475,820.00 |
| Royal Construction Corp. | \$3,588,000.00 |
| Icon West, Inc. | \$3,750,000.00 |
| Morillo Construction, Inc. | \$3,797,000.00 |
| AWI Builders, Inc. | \$3,903,500.00 |
| Newman Midland Corp. | \$3,993,086.00 |
| Plyco Corp. | \$4,040,843.00 |
| Mallcraft, Inc. | \$5,052,000.00 |

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The low bidder was defined in the bid documents as the responsive, responsible bidder submitting the lowest base bid. Acon Development, Inc., submitted the lowest bid as shown above. It is recommended that the project be awarded to Acon Development, Inc., for a total construction contract of \$3,475,820.00.

Sufficient funds are available to award the contract and for the construction and the project contingency from the following accounts:

| <u>Funding Source</u> | <u>Fund/Dept./Acct. No.</u> |
|---|-----------------------------|
| Quimby | 302/89/89440K-CR |
| Proposition K | 43K/10/10LM06 |
| Housing-Related Parks (HRP) Program (Proposition 1C) | 89/205/T.B.D. |

Full encumbrance of the contract, involving funds in the amount of \$1,739,800.00, is contingent upon the execution of the Proposition 1C grant agreement, which is currently being routed for execution. Execution of the Proposition 1C grant agreement is anticipated by December 15, 2014. If the City appropriates the additional funding, the City's liability for contract payments shall be extended to the extent of such appropriation, subject to the terms and conditions of this contract. The Contractor will not be required to do any work in excess of the amount of the current funding, plus additional funding appropriated by the City, if any, for this project. When the remaining funds are approved and appropriated to the project, the RAP's Chief Accounting Employee will encumber the balance required to fund the project.

The project is subject to the City's new Business Inclusion Program (BIP), in compliance with the Mayor's Directive No. 14, which was adopted on February 15, 2012 (Board Report No. 12-050), which replaces the former Minority Business Enterprises, Women Business Enterprise, and Other Business Enterprise (MBE/WBE/OBE) Good Faith Effort Subcontractor Outreach Program. Acon Development, Inc., has successfully posted all the required BIP outreach documentation on the Los Angeles Business Assistance Virtual Network (LABAVN) that demonstrated satisfactory effort in its outreach to Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Small Business Enterprises (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and Other Business Enterprises (OBE) for sub-bid or subcontracting businesses. Staff has evaluated the outreach documentation submitted by Acon Development, Inc., and determined that it has passed all six (6) indicators as required for the effort to obtain sub-bid/subcontracting participation by MBE, WBE, SBE, EBE, DVBE and OBE businesses, and is in compliance with the BIP outreach requirements. The outreach documentation package is on file in the Board Office, and a synopsis of the said package is attached to this Report.

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Staff reviewed the responsiveness and work performance of Acon Development, Inc., on past Department of Public Works (DWP) projects and found them to be satisfactory. DPW, Office of Contract Compliance (OCC), indicated that there have been no labor compliance violations that have not been corrected and that all other legal requirements have been complied with by the bidder.

The City Attorney and staff have reviewed the bid submitted by Acon Development, Inc., and found it to be in order. Staff recommends that the Board find Acon Development, Inc., to be the lowest responsive and responsible bidder.

The project has been previously evaluated and approved in compliance with the California Environmental Quality Act (CEQA). A Notice of Exemption was filed on June 6, 2013. The scope of the project and the environmental setting have not substantially changed since the CEQA approval that would result in additional environmental impacts or an increase in the intensity of the projected impacts to require any new or modified mitigation. Therefore, no additional CEQA documentation is required.

FISCAL IMPACT STATEMENT:

The project will be funded by a combination of funding sources. At this time, there is no fiscal impact to the RAP's General Fund for the approval of this Report. However, future operational maintenance costs of the new pool and bathhouse project will be determined and a request for funding will be submitted in future Department annual budget requests.

This report was prepared by Renee Curtis, Landscape Architect I, and Carl Nelson, Project Manager, BOE Architectural Division; and reviewed by Neil Drucker, Program Manager, BOE Recreational and Cultural Facilities Division, Deborah Weintraub, Chief Deputy City Engineer, and Cathie Santo Domingo, Superintendent, RAP Planning, Construction and Maintenance Branch.

CITY OF LOS ANGELES
GUIDELINES FOR EVALUATION OF THE BUSINESS INCLUSION PROGRAM
(BIP) OUTREACH CHECKLIST

Bidder: Acon Development, Inc. Bid Date: 09/23/2014

Project Name: Central Recreation Center Pool & Bath House Renovation W.O. #: E1907620

| Indicator | Required Documentation | Description of Submitted or Missing Documentation | Credit ✓ |
|---|--|--|-------------|
| 2 Pre-Bid Meeting | a) Attend pre-bid meeting and be listed on the attendance sheet, or b) Submit a letter either by e-mail, mail, or fax to the Bureau of Engineering, Project Award and Control (PAC) on certifying it is informed of the BIP project requirements and has participated in a City-sponsored or City approved matchmaking event in the past 12 months. Note: If the RFB states that the pre-bid meeting is mandatory, then attendance at the pre-bid meeting is the only way to pass this indicator. | | ✓ |
| 3 Work Areas | Proof of this must be demonstrated in Indicator 4. The notification must be performed using the BAVN's BIP Outreach Reports system. | (Automatic after meeting Indicator 4 requirements) | ✓ |
| 4 Written Notice to Sub-contractors | E-mail or fax notification in each of the selected potential work areas to available MBEs, WBEs, SBEs, EBEs, DVBEs, and OBEs for each anticipated work area to be performed. The notification must be performed using the BAVN's BIP Outreach Reports system. The notification may be to potential sub-bidders/ subcontractors either currently registered on the BAVN or added to the BAVN by the bidder. Letters must contain areas of work selected to be subcontracted, City of Los Angeles project name, name of the bidder, and contact person's name, address, and telephone number. Bidders are required to send notifications to a sufficient number of firms in each potential sub work area as determined by the City. Typically, the sufficient number of firms is determined by the total number of potential sub-bidders/ subcontractors in each sub work area. | | ✓ |
| 5 Plans, specifications and requirements | Include, in Indicator 4, information detailing how, where, and when the bidder will make the required information available to interested potential sub-bidders/ subcontractors. The notification must be performed using the BAVN's BIP Outreach Reports system. | (Automatic after meeting Indicator 4 requirements) | ✓ |
| 6 Negotiate in Good Faith | a) Copies of all potential MBE/WBE/SBE/EBE/DVBE/OBE bids or quotes received must be submitted prior to award of a contract; and b) Online Summary Sheet must be completed, listing the bids or quotes received, the name of the sub-bidder/ subcontractor who submitted the bid or quote, and a brief reason given for selection/ non-selection of each subcontractor. The reasons for selection/non-selection should be included in the Notes section of the online Summary Sheet. If the bidder elects to perform a listed work area with its own forces, they must include a bid/ quote for comparison purposes and an explanation must be provided and included on the Summary Sheet. All bids/ quotes received, regardless of whether or not the bidder outreached to the sub-bidder/ subcontractor, must be submitted. To this extent, the City expects the bidder to submit a bid/ quote from each sub-bidder/ subcontractor listed on the Summary Sheet. The Summary Sheet must be performed using the BAVN's BIP Outreach Reports system and must be submitted by 4:30 p.m. the following City working day after the date bids are received by the Board of Public Works. If a bid/quote is submitted by a sub-bidder/subcontractor that is not registered on the BAVN, the contractor is required to add that firm to their Summary Sheet. | | ✓ |
| 7 Bonds | Include, in Indicator 4, information about the bidder's efforts to assist with bonds, lines of credit, and insurance. The notification must be performed using the BAVN's BIP Outreach Reports system. | (Automatic after meeting Indicator 4 requirements) | ✓ |
| Prime % = 11.79% | | | |
| MBE%= 3.15% WBE%= 3.04% SBE%= 0.11% EBE%= 0% DVBE%= 0% OBE%= 37.4% | | | |

RESPONSIVE