

REPORT OF GENERAL MANAGER

NO. 05-163

DATE June 15, 2005

C.D. 7

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: HANSEN DAM UNIVERSALLY ACCESSIBLE PLAYGROUND AND RESTROOM (W.O.#PRJ1246A) - REVIEW OF BIDS AND AWARD OF CONTRACT

J. Combs	<u> </u>	H. Fujita	<u> </u>
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K. Regan	<u> </u>		

Robert H. Jensen (Sr)

 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board:

1. Reject the bids of Tek-Up Construction, Inc., and HMI Construction Service as non-responsive for failure to meet the City's MBE/WBE/OBE Good Faith Outreach Effort subcontracting requirements;
2. Find that Simgel Co., Inc., whose base bid was \$1,676,000.00, is the lowest responsive and responsible bidder for the Hansen Dam Universally Accessible Playground and Restroom (W.O.#PRJ1246A);
3. Award the Base Bid, with Additive Alternates Nos. 1 and 2, in the amounts of \$120,000.00 and \$25,000.00, respectively, resulting in the total contract amount of \$1,821,000.00, to Simgel Co., Inc., all according to plans and specifications;
4. Authorize the Chief Accounting Employee to encumber funds in the amount of \$1,821,000.00 from the following fund and account numbers under the awarding authority of this Board Report; and,

REPORT OF GENERAL MANAGER

PG. 2

NO. 05-163

<u>Funding Sources</u>	<u>Fund/Department /Acct.</u>	<u>Encumbance Amount</u>
General City Purposes	205/88/S200,200S	\$ 765,255.00
Proposition 40 Specified	205/89/WU02	\$ 286,745.00
CD 7	302/89/270K-HD	\$ 480,000.00
Lopez Canyon Amenities Fund	205/88/WM02	\$ <u>289,000.00*</u>
Total		\$ 1,821,000.00

* Future funding of the Lopez Canyon Amenities Fund is conditional upon City Council's approval which is anticipated for June, 2005.

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

SUMMARY:

On January 19, 2005, the Board approved the final plans and Call for Bids for the Hansen Dam Universally Accessible Playground and Restroom project (W.O. #PRJ1246A), located at 12040 W. Osborne Street, Los Angeles, CA 91040 (Board Report No. 05-20).

The project involves the construction of a new, universally accessible (UA) playground and restroom building that are fully compliant with the Americans with Disabilities Act (ADA) requirements. The bid documents of the project consist of:

1. Base Bid: Construct a new universally accessible playground including benches and a drinking fountain, and construct a new restroom building appurtenant to the UA playground.
2. Additive Alternate #1: Construct a garden maze
3. Additive Alternate #2: Replace main concrete walk with enhanced paving.

The Architectural Division of the Bureau of Engineering, in conjunction with Melendrez Design Partners, the design consultant for the UA playground, estimated the construction cost of the Base Bid for the project at \$1,464,000.00.

The bid documents specified that the lowest bidder would be the bidder submitting the lowest base bid, without consideration of the prices of the Additive Alternates. On March 8, 2005, the following bids were received for the Hansen Dam Universally Accessible Playground and Restroom (W.O.#PRJ1246A):

REPORT OF GENERAL MANAGER

PG. 3

NO. 05-163

	<u>Bidders</u>	<u>Base Bid</u>	<u>Add. Alt. No.1</u>	<u>Add. Alt. No.2</u>
1	Tek-Up Construction, Inc.	\$ 1,401,724.00	\$ 34,000.00	\$ 38,600.00
2	HMI Construction Service	\$ 1,578,000.00	\$ 135,000.00	\$ 53,000.00
3	Simgel Co., Inc.	\$ 1,676,000.00	\$ 120,000.00	\$ 25,000.00
4	Environmental Construction, Inc.	\$ 1,843,932.00	\$ 62,303.00	\$ 38,436.00
5	Cal-Pac Engineering Co., Inc.	\$ 1,886,500.00	\$ 105,000.00	\$ 28,500.00
6	L.A. Builders, Inc.	\$ 1,945,000.00	\$ 170,000.00	\$ 65,000.00
7	Trimax Construction Corp.	\$ 1,980,000.00	\$ 88,000.00	\$ 55,000.00
8	USS Cal Builders, Inc.	\$ 1,996,000.00	\$ 182,000.00	\$ 168,000.00
9	Tobo Construction, Inc.	\$ 2,190,000.00	\$ 71,500.00	\$ 66,240.00
10	Morillo Construction, Inc.	\$ 2,124,000.00	\$ 129,700.00	\$ 63,300.00
11	Metro Builders & Engineers Group Ltd.	\$ 2,249,328.30	\$ 240,540.00	\$ 213,750.00

Based on the staff review of the Good Faith Outreach Effort (GFE) documentation submitted by the apparent low bidder, Tek-Up Construction, Inc. (Tek-Up), it has been determined that they did not meet the requirements set forth in the City's MBE/WBE/OBE Good Faith Outreach Program. Tek-Up obtained 73 points out of a possible 100 points, as outlined by the City's Outreach Program. The policy requires that a bidder must receive 75 points to be considered responsive. Therefore, Tek-Up is non-responsive and disqualified for failing to comply with the City's GFE policy. The second lowest bidder, HMI Construction Service (HMI), received a score of 0 points out the possible 100 points for Good Faith Outreach. Therefore, HMI is also non-responsive and disqualified for failing to comply with the City GFE policy.

With the disqualification of Tek-Up and HMI, the third lowest bidder, Simgel Co., Inc. (Simgel), becomes the apparent lowest responsive and responsible bidder, with a bid of \$1,676,000.00 for the base bid.

Staff has reviewed the GFE outreach efforts made by Simgel. Based on the documents submitted, Simgel made the required "good faith" effort to provide subcontracting opportunities to MBE/WBE/OBE subcontractors. Although the contractor has not achieved MBE/WBE participation, the contractor obtained 100 points out of a possible 100 points in compliance with the City policy to make a good faith outreach effort. The GFE documentation package is on file in the Board Office and a synopsis of the package is attached.

The Department of Public Works, Office of Contract Compliance (OCC), indicated that they found no labor compliance violations by this contractor and that all other legal requirements have been complied with.

The City Attorney and staff have reviewed the bids submitted by Simgel, and found them to be in order. Simgel is the lowest responsive, responsible bidder.

REPORT OF GENERAL MANAGER

PG. 4 NO. 05-163

The total of the Base Bid plus Additive Alternates #1 and #2 for Simgel is \$1,821,000.00. Therefore, because there are sufficient funds in the project budget, it is recommended the Base Bid plus all Additive Alternates #1 and #2 be awarded to Simgel.

The contract will provide that the City's liability for the contract payments under this contract shall only be to the extent of the City appropriation to fund the contract. If the City does appropriate the additional funding through City Council approval of the Lopez Canyon Amenities, 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.

Pursuant to Los Angeles Administrative Code Section 10.15, bidders will not be released from their bids for three months from the date of bid receipt, which in this case would have expired on June 6, 2005. However, the Department requested and has obtained written agreement from Simgel, should it become necessary, to extend their bids for an additional 60 days, or until August 6, 2005.

FISCAL IMPACT STATEMENT:

There is no anticipated fiscal impact to the Department's budget for the construction project. All funds are provided by the above-listed funding sources specifically identified and approved for use on this project or at this Recreation and Parks facility. The assessments of the future operations and maintenance costs have yet to be determined.

Prepared by Steve Davis, Project Architect, Bureau of Engineering, Architectural Division.
Reviewed by Neil Drucker, Program Manager, Bureau of Engineering; and by Bradley M. Smith, P.E., Chief Deputy City Engineer, Bureau of Engineering.

GOOD FAITH EFFORT CHECKLIST- EVALUATION RESULTS

Bidder: SIMGEL COMPANY, INC.

Bid Date: 3/8/05

PROJECT: HANSEN DAM UNIVERSALLY ACCESSIBLE PLAYGROUND AND RESTROOM (W.O. # PRJ1246A)

Indicator	Required Documentation	Description of Submitted or Missing Documentation	Points	
			Submitted	Missing
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) 847-5172, or by mail to the Bureau of Engineering, Project Award and Control Division, 600 S. Spring, 6 th Floor, Los Angeles, Ca. 90014		10	10
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 subcontractors 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				100

MBE=0% WBE=0% OBE= 22.55% PRIME=77.45%