

REPORT OF GENERAL MANAGER

NO. 05-107

DATE May 4, 2005

C.D. 4

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PAN PACIFIC SENIOR ACTIVITY CENTER – BUILDING IMPROVEMENTS  
(W.O. #PRJ1731C) - REVIEW OF BIDS AND AWARD OF CONTRACT

* K. Chan	<u><i>[Signature]</i></u>	J. Kolb	_____
J. Combs	_____	F. Mok	_____
H. Fujita	_____	K. Regan	_____
B. Jensen	_____		

*Robert H Jensen (for)*  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Reject the bid of Integrated Construction Group, Ltd. (ICG), as non-responsive for failure to meet the City's MBE/WBE/OBE Good Faith Effort subcontracting requirements;
2. Find that A.W.I. Builders, Inc., (AWI), whose base bid was \$2,127,946, is the lowest responsible bidder for Pan Pacific Senior Activity Center – Building Improvemnts (W.O. #PRJ1731C);
3. Award the contract with Additive Alternates Nos. 1, 2, 3, 4, 5, 6 and 7, in the amounts of \$38,500, \$5,000, \$8,500, \$135,000, \$36,700, \$15,000 and \$8,500, respectively, resulting in the total amount of \$2,375,146 to AWI, all according to plans and specifications;
4. Authorize the Chief Accounting Employee to encumber funds in the amount of \$2,375,146 from the following fund and account numbers under the awarding authority of this Board Report; and,

<u>Funding</u>	<u>Fund/Department/Account</u>	<u>Amount</u>
Quimby	302/89/460KWV	\$ 1,018,896.00
Prop. A	205/89/VH06	\$ 731,250.00
Prop. DD (Library Bond)	15E/50/S211	\$ 400,000.00
Prop. 12 RZH	46L/22	\$ 225,000.00

5. Request the Staff to prepare a contract, subject to approval of the City Attorney, after which

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the Board President and Secretary be authorized to execute the same after the appropriate signatures by the other parties thereto and approval as to form by the City Attorney have been obtained thereon.

### SUMMARY:

On December 8, 2004, the Board approved the final plans and Call for Bids for the Pan Pacific Senior Activity Center - Building Improvements (W.O. #PRJ1731C), located at 141 S. Gardner Street, Los Angeles, CA 90032 (Board Report No. 04-361).

The project involves the renovation and conversion of the existing multi-purpose community center to a dedicated facility for senior citizens' activities. Specifically, the project will:

1. Renovate the existing gymnasium to provide fitness and exercise areas specially designed for the use by seniors.
2. Create a private and protected courtyard area for seating and leisure outdoor activities.
3. Renovate the existing restrooms to increase the number of fixtures and to meet requirement of the American with Disabilities Act.
4. Renovate the existing kitchen to better serve the "Meals on Wheels" program.
5. Replace the existing inadequate rooftop air conditioning units.
6. Repair the existing roofing and replace where necessary.
7. Construct a new 62-space parking lot and a drop-off/pick-up area for tour buses.
8. Make numerous overall improvements including exterior and interior painting, storage cabinets, light fixtures, new window and door openings, outdoor paving and landscaping.

Jeffrey M. Kalban and Associates Architecture, Inc., the design consultant, estimated the cost of the project at \$2,400,000.00 .

During the bid period, a Bid Addendum was issued requiring the bidders to break the base bid into two components and submit them as Base Bid Item "A" and Base Bid Item "B". The Base Bid Item "A" was identified as all work related to the building renovation and outdoor improvements; while the Base Bid Item "B" involves all work associated with the new parking lot. The lowest bid would be determined by the sum of the Base Bids Items "A" and "B". It is necessary to have the new parking lot priced separately because the work would be paid for by the Library Department (Prop. DD fund).

The bid documents specified that the lowest bidder would be the bidder submitting the lowest combined price for Base Bid Items "A" and "B". On January 25, 2005, ten bids were received for the Pan Pacific Senior Activity Center (W.O. #PRJ1731C):

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Bidders	Base Bid	Base Bid "A"	Base Bid "B"
1 Integrated Construction Group, Ltd.	1,924,125.00	N.A.	N.A.
2 A.W.I. Builders, Inc.	2,127,946.00	1,801,095.00	326,851.00
3 Metro Builders & Engineers Group, Ltd.	2,210,842.53	1,826,408.61	384,433.92
4 Shefir Construction Inc.	2,249,000.00	1,961,000.00	288,000.00
5 Morillo Construction	2,286,000.00	1,905,000.00	381,000.00
6 DJM Construction Co., Inc.	2,448,000.00	2,348,000.00	100,000.00
7 Trimax Construction Corp.	2,450,000.00	1,750,000.00	700,000.00
8 Mallcraft, Inc.	2,451,282.00	2,104,119.00	347,163.00
9 Tobo Construction, Inc.	2,585,900.00	2,333,200.00	252,700.00
10 Mepco Services, Inc.	3,794,000.00	2,604,000.00	1,190,000.00

Bidders	Add Alt 1	Add Alt 2	Add Alt 3
1 Integrated Construction Group, Ltd.	52,270.00	7,105.00	6,590.00
2 A.W.I. Builders, Inc.	38,500.00	5,000.00	8,500.00
3 Metro Builders & Engineers Group, Ltd.	34,960.50	5,733.00	4,855.50
4 Shefir Construction Inc.	24,000.00	15,000.00	18,000.00
5 Morillo Construction	19,000.00	29,000.00	33,000.00
6 DJM Construction Co., Inc.	33,400.00	16,300.00	17,100.00
7 Trimax Construction Corp.	48,000.00	12,000.00	15,000.00
8 Mallcraft, Inc.	13,000.00	3,500.00	5,000.00
9 Tobo Construction, Inc.	58,000.00	4,000.00	3,300.00
10 Mepco Services, Inc.	52,910.00	71,500.00	24,000.00

	Add Alt 4	Add Alt 5	Add Alt 6	Add Alt 7
1 Integrated Construction Group, Ltd.	25,000.00	57,000.00	28,530.00	13,500.00
2 A.W.I. Builders, Inc.	135,000.00	36,700.00	15,000.00	8,500.00
3 Metro Builders & Engineers Group, Ltd.	29,541.92	46,800.00	38,610.00	26,254.80
4 Shefir Construction Inc.	54,000.00	42,000.00	11,000.00	12,000.00
5 Morillo Construction	96,000.00	48,000.00	16,000.00	27,000.00
6 DJM Construction Co., Inc.	80,000.00	44,000.00	36,000.00	28,700.00
7 Trimax Construction Corp.	68,000.00	70,000.00	20,000.00	24,000.00
8 Mallcraft, Inc.	6,000.00	18,000.00	10,000.00	7,500.00
9 Tobo Construction, Inc.	65,000.00	26,500.00	33,500.00	14,500.00
10 Mepco Services, Inc.	86,000.00	72,600.00	54,000.00	26,400.00

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Based on the staff review of the Good Faith Outreach documentation submitted by the apparent low bidder, Integrated Construction Group, Ltd., it has been determined that they did not meet the requirements set forth in the City's MBE/WBE/OBE Good Faith Outreach Program. They only obtained 5 points out of the possible 100 points outlined by the Board's Outreach Program. The Board's policy, consistent with the Mayor's Directives, is that the bidders must receive 75 points to be considered responsive. Therefore, Integrated Construction Group, Ltd., is nonresponsive and disqualified for failing to comply with the Board's policy.

With the disqualification of Integrated Construction Group, Ltd., the second lowest bidder, AWI, becomes the apparent lowest bidder, with a bid of \$2,127,946.00 for the sum of Base Bid "A" and Base Bid "B".

Staff has reviewed the outreach effort made by AWI. Based on the documents submitted, AWI made the required "good faith" effort to provide subcontracting opportunities to MBE/WBE/OBE subcontractors. The contractor obtained 90 points out the possible 100 points. The Outreach Document package is on file in the Board Office and synopsis of said package is attached.

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

The total of the Base Bids "A" and "B", plus Additive Alternates 1 through 7 for AWI is \$2,375,146.00. Therefore, because there are sufficient funds in the project budget, it is recommended the Base Bids plus all Additive Alternates be awarded to AWI.

There are sufficient funds available to award the contract for this project in the following accounts:

<u>Funding</u>	<u>Fund/Department/Account</u>	<u>Amount</u>
Quimby	302/89/460KWV	\$1,018,896.00
Prop. A	205/89/VH06	\$ 731,250.00
Prop. DD (Library Bond)	15E/50/S211	\$ 400,000.00
Prop. 12 RZH	46L/22	\$ 225,000.00

Pursuant to Los Angeles Administrative Code Section 10.15, bidders will not released from their bids for 3 months, which in this case would have expired on April 25, 2005. However, Department requested and has obtained written agreement from AWI, and the next 3 lowest bidders, should it become necessary to extend their bids for an additional 60 days, or until June 24, 2005.

Prepared by Paul Tseng, Project Manager, Bureau of Engineering, Architectural Division. Reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program; and by Bradley M. Smith, P.E., Chief Deputy City Engineer, Bureau of Engineering.

**GOOD FAITH EFFORT CHECKLIST- EVALUATION RESULTS**

Bidder: **AWI BUILDERS, INC.**

Bid Date: **1/25/05**

PROJECT: **PAN PACIFIC SENIOR ACTIVITY CENTER—BUILDING IMPROVEMENT-W.O.#PRJ1731C**

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	
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 <sup>th</sup> 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.	Did send letters and did submit letters, but did not send letters within required time -frame	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
<b>TOTAL POINTS ACHIEVED</b>			<b>90</b>	

**MBE/WBE % ACHIEVED: 0%**

MBE= 0% WBE=0 % OBE=32% PRIME=68%