

APPROVED  
JUN 15 2011

REPORT OF GENERAL MANAGER

NO. 11-194

DATE June 15, 2011

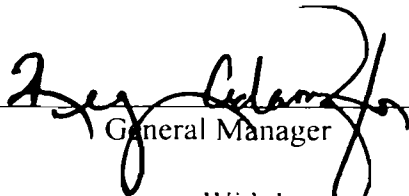
BOARD OF RECREATION  
and PARK COMMISSIONERS

C.D. 8

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ST. ANDREWS RECREATION CENTER - OUTDOOR SPORTS DEVELOPMENT (W.O. #E170302F) - REJECTION OF BIDS - MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS, THE DEPARTMENT OF PUBLIC WORKS, BUREAU OF ENGINEERING, AND THE DEPARTMENT OF GENERAL SERVICES

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

\_\_\_\_\_   
General Manager

Approved ~~AS amended~~

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Reject all bids for the St. Andrews Recreation Center – Outdoor Sports Development (W.O. #E170302F) project, received on April 26, 2011, pursuant to Section 10.15(c) of the Los Angeles Administrative Code and Paragraph 3 of the Instructions to Bidders;
2. Authorize the General Manager to enter into a Memorandum of Understanding (MOU), substantially in the form on file in the Board Office, between the Department of Recreation and Parks (RAP), the Department of Public Works, Bureau of Engineering (BOE), and the Department of General Services (GSD) to provide construction services for the St. Andrews Recreation Center – Outdoor Sports Development (W.O. #E170302F) project, subject to the approval of the City Attorney as to form;
3. Authorize the Chief Accounting Employee to encumber and transfer \$530,000 from the available funds in the following funds and account numbers under the authority of this Board Report;

REPORT OF GENERAL MANAGER

PG. 2 NO. 11-194

<u>Funding Source</u>	<u>Fund/Dept./Acct. No.</u>	<u>Encumbrance Amount</u>
Proposition K Year <del>13</del> 14	43K/10/G257	\$246,875
Proposition K Year <del>13</del> <sup>(1)</sup> 14	TBD	\$283,125
Total:		\$530,000

<sup>(1)</sup> Availability of funds pending approval by the City Council of the Engineer's Report for Fiscal Year 2011-2012, which includes reprogramming and inflation of Proposition K funds for this project.

To:

GSD Account and from there to the appropriate GSD accounts in Fund 100, Department 40, as follows:

1014 – Construction Salaries	\$ 51,000
1101 – Hiring Hall Salaries	\$ 68,000
1121 – Hiring Hall Fringe Benefits	\$ 27,200
3180 – Construction Materials and Supplies	\$383,800
Total:	\$530,000

and transfer cash to GSD on an as-needed basis, upon review and approval of expenditure reports submitted by GSD and approval of these reports by the BOE Project Manager.

4. Direct the Board Secretary to transmit forthwith the MOU to the City Attorney for expedited review and approval as to form; and,
5. Authorize the General Manager to execute the MOU, subsequent to the approval of the City Attorney as to form.

SUMMARY:

On March 23, 2011 (Board Report No. 11-088), the Board of Recreation and Park Commissioners (Board) approved the final plans and call for bids for the St. Andrews Recreation Center – Outdoor Sports Development (W.O. #E170302F) project, which is located at 8701 St. Andrews Place, Los Angeles, CA 90047. The project components include the following:

1. Construct new Tennis Practice Court.
2. Install 10 new pieces of exercise equipment.
3. Install shade structures over the dugouts.
4. Install two new electronic scoreboards.

REPORT OF GENERAL MANAGER

PG. 3                      NO. 11-194

5. Reconstruct existing walking path with new Asphalt Concrete paving and Track surface from MONDO USA or equal (Addendum No. 2).
6. Reconfigure irrigation heads away from the walking path.

The City Engineer's original cost estimate of \$340,000, which was included in the original bid package, was adjusted with the release of Addendum No. 2, in order to incorporate the cost of "Track surface from MONDO USA or equal". The "Track surface" cost is estimated to be in excess of \$190,000 by the City Engineer, raising the City Engineer's estimate to \$530,000.

On April 26, 2011, the following seven (7) bids were received for this project:

	<u>Bidders</u>	<u>Base Bid</u>
1.	STL Landscape, Inc.	\$260,000.00
2.	E. Avico, Inc.	\$297,657.26
3.	Western Group, Inc.	\$378,000.00
4.	1st California Construction, Inc.	\$622,000.00
5.	Geronimo Concrete, Inc.	\$647,275.00
6.	Mallcraft, Inc.	\$650,000.00
7.	AVA Builders, Inc.	\$667,000.00

STL Landscape, Inc. submitted the lowest bid as shown above but withdrew its bid due to clerical errors. The second and third lowest bidders, E. Avico, Inc., and Western Group, Inc., respectively, either did not incorporate the cost of "Track surface from MONDO USA or equal", or list a comparable product (cost and quality) to the "track surface" material specified for the project component Item No. 5 above. As stated above, the specified "Track surface," cost is estimated to be in excess of \$190,000.

On May 2, 2011, the Board received a letter of protest from AVA Builders, Inc., to "alert the board that the three lowest bidders either did not receive/take Addendum No. 2 into consideration". Awarding the project to either Bidder No. 2 or Bidder No. 3 may turn out to be quite costly given the potential for change orders in order to procure and install the specified "Track surface", inasmuch as the bidders did not include it in their bids.

There were various irregularities or inadequacies in the bids that were received. Pursuant to Section 10.15(c) of the Los Angeles Administrative Code and as provided for in Paragraph 3 of the Instructions to Bidders for this project, the Board has reserved the right to reject any and all bids. Staff recommends that all bids be rejected and that the project be constructed by GSD.

## REPORT OF GENERAL MANAGER

PG. 4                      NO. 11-194

The project is funded by Proposition K and additional Proposition K funds are proposed to be reprogrammed to this project in the current fiscal year. A construction contract award must be made before the end of the current Fiscal Year 2010-2011. Based on the type of project, it is recommended that GSD be selected to construct the project, in accordance with Section 22.535(a) (5) of the Los Angeles Administrative Code.

GSD has not prepared a construction cost estimate for the project. The MOU is based on BOE's construction cost estimate. Should GSD's estimated amount for construction exceed the amount of this MOU, BOE will report back to the Board on any additional actions that may need to be taken.

In compliance with the California Environmental Quality Act (CEQA), staff has determined that the subject project will consist of the refurbishment of an existing park facility and installation of accessory structures, and therefore, is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1(1, 12) and Class 11(3) of the City CEQA Guidelines.

### FISCAL IMPACT STATEMENT:

There is no anticipated fiscal impact to the Department's General Fund as the project's construction costs will be fully funded by the above listed funding sources specifically identified and approved for this project. The assessments of the future operations and maintenance costs have yet to be determined and would be addressed in future budget requests.

This report was prepared by Ejike Mbaruguru, Project Manager, Recreation and Cultural Facilities Program, Bureau of Engineering. Reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, Bureau of Engineering; Deborah Weintraub, Chief Deputy City Engineer, Bureau of Engineering; and Michael A. Shull, Superintendent, Planning, Construction and Maintenance Division, Department of Recreation and Parks.