

APPROVED
APR 19 2007

REPORT OF GENERAL MANAGER

NO. 07-97

DATE April 19, 2007

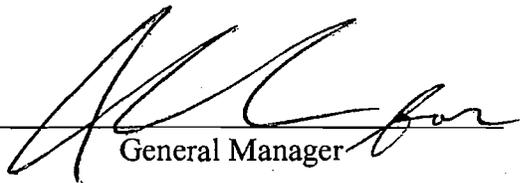
**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. 6

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: BLYTHE STREET RECREATION CENTER – NEW RECREATION CENTER
(W.O. #E170934F) – REVIEW OF BIDS AND AWARD OF CONTRACT

R. Adams	_____	J. Kolb	_____
J. Combs	_____	F. Mok	_____
H. Fujita	_____	K. Regan	_____
S. Huntley	_____	*M. Shull	<u>one for the!</u>


General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Find Tobo Construction, Inc., with a base bid of \$2,379,000, to be the lowest responsive and responsible bidder for the Blythe Street Recreation Center – New Recreation Center (W.O. #E170934F);
2. Award the contract, in the total award amount of \$2,379,000, all according to the plans and specifications;
3. Authorize the Chief Accounting Employee to encumber \$1,500,000 in available funds and \$879,000 in pending funds, upon approval by Council of Proposition K funds and receipt of Proposition 12 Per Capita funds from State Parks, from the following fund and account numbers under the awarding authority of this Board Report;

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APPROVED FUNDING

<u>FUND SOURCE</u>	<u>FUND/DEPT/ACCT</u>	<u>GRANT AMOUNT</u>	<u>AVAILABLE AMOUNT</u>	<u>ENCUMBRANCE AMOUNT</u>
Prop K YR 09	43K/10/Y282	\$350,000	\$227,339	\$200,000
Prop K YR 10	43K/10/A282	\$950,000	\$950,000	\$950,000
Prop 12 Murray Hayden	205/89/VB04	\$520,000	\$359,630	\$350,000
APPROVED FUNDING TOTAL		\$1,820,000	\$1,536,969	\$1,500,000

PENDING FUNDING

<u>FUND SOURCE</u>	<u>FUND/DEPT/ACCT</u>	<u>GRANT AMOUNT</u>	<u>AVAILABLE AMOUNT</u>	<u>PENDING ENCUMBRANCE AMOUNT</u>
Prop 12 Per Capita ⁽¹⁾	TBD	\$450,000	\$0	\$400,000
Prop K YR 11 ⁽²⁾	43K/10/TBD	\$700,000	\$0	\$479,000
PENDING FUNDING TOTAL		\$1,150,000	\$0	\$879,000
GRAND TOTAL FUNDING		\$2,970,000	\$1,536,969	\$2,379,000

NOTES

1. Funding will be made available from State Parks on a reimbursement basis.
2. Availability of funding is subject to City Council's approval of the Engineer's Report for FY 2007-08.
4. Request staff to prepare a contract, which includes a funding clause, limiting the City's liability for contract payments to the amount of funding appropriated by the City for this contract in the amount of \$1,500,000, as well as so limiting the contractor's obligation to perform the contract, as further described in this report; and,
5. Authorize the Board President and Secretary to execute the contract, subject to approval as to form by the City Attorney.

SUMMARY:

On November 1, 2006 (Board Report No. 06-319), the Board of Recreation and Park Commissioners approved final plans and call for bids for the Blythe Street Recreation Center – New Recreation Center (W.O. #E170934F) located at 14740 Blythe Street, Panorama, CA 91402. The estimate for

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the base bid construction cost of this project is \$1,900,000. Plans for this project were prepared by the Bureau of Engineering, Architectural Division. The project will consist of the construction of a new recreation center facility. The proposed structure is a single story 2,850 square-foot recreation building that houses two programming rooms, an office, a warming kitchen, restrooms, and storage areas. The recreation center has a detached public restroom facility consisting of two unisex toilet stalls and one Americans With Disabilities Act (ADA) accessible toilet stall with two lavatories. The project also includes an asphalt parking area, picnic area, a play area with resilient surfacing, landscaping, and irrigation.

On December 19, 2006, five bids were received for this project. The lowest responsive and responsible bidder is Tobo Construction, Inc., with a base bid amount of \$2,379,000, which is \$479,000 above the City Engineer's base bid estimate. The bid documents state that the lowest bid shall be determined based upon the base bid amount, regardless of the amount of any additive or deductive alternate. Three deductive alternates were also included in the bid package. The description and bid amounts received are as follows:

<u>Bidders</u>	<u>Base Bid</u>	<u>Ded. Alt. 1</u>	<u>Ded. Alt. 2</u>	<u>Ded. Alt 3</u>
Tobo Construction, Inc.	\$ 2,379,000	\$ 25,000	\$ 10,000	\$ 5,000
L.A. Builders, Inc.	\$ 2,465,000	\$ 101,000	\$ 5,470	\$ 4,650
Trimax Construction Corp.	\$ 2,639,000	\$ 82,000	\$ 8,000	\$ 60,000
Simgel Co., Inc.	\$ 2,672,720	\$ 25,000	\$ 10,000	\$ 120,000
Gonzales Construction	\$ 2,765,000	\$ 120,000	\$ 7,300	\$ 148,350

As indicated, the lowest responsive and responsible bidder is Tobo Construction, Inc., with a base bid amount of \$2,379,000, which is \$479,000 above the City Engineer's base bid estimate. Upon City Council approval of the proposed Proposition K YR 11 and Proposition 12 Per Capita funds, and the receipt of the Proposition 12 Per Capita funds from the State Parks, it is anticipated sufficient funds will be available to award the base bid and to allow for contingencies during construction. It is recommended that the project be awarded with none of the deductive alternates being exercised.

Currently, we are requesting the encumbrance of \$1,150,000 in Proposition K, and \$350,000 in Proposition 12 Murray Hayden, for a total encumbrance of \$1,500,000. The remaining funds, in the amount of \$879,000, required to fully encumber the contract are contingent upon the City Council approval of the proposed Proposition K FY11 allocation and the receipt of cash reimbursement from State Parks for the Proposition 12 Per Capita funds. The L.A. for Kids Steering Committee was advised that full encumbrance of the contract amount is contingent upon approval of these funds and the receipt of funds from the State Parks. The L.A. for Kids Steering Committee was also advised by their own staff that this project qualifies for \$609,000 in Proposition K Inflation Funds for construction contingency.

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The contract will provide that the City's liability for the contract payments under this contract shall be limited to the City's appropriation to fund the contract. If the City does appropriate the additional funding through the City Council approval of the proposed Proposition K YR 11 and receipt of the Proposition 12 Per Capita funds from State Parks, 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 perform any work in excess of the amount of the current funding, plus additional funding appropriated by the City, if any, for this project.

Currently, funds are available to award the contract for this project in the following accounts:

<u>FUND SOURCE</u>	<u>FUND/DEPT./ACCT NO.</u>	<u>AMOUNT</u>
Proposition K FY 09	43K/10/Y282	\$ 200,000
Proposition K FY 10	43K/10/A282	\$ 950,000
Proposition 12 Murray Hayden	205/89/VB04	<u>\$ 350,000</u>
Subtotal-Available Funding		\$1,500,000

Upon approval of the Proposition K Yr 11 funds by Council and receipt of the Proposition 12 Per Capita funds from State Parks, the contractor would be notified of the amount of the additional appropriations being made to the contract and the contractor shall then be required to complete all contract work up to the amount of appropriation to the contract.

On February 22, 2007, the L.A. for Kids Steering Committee approved the recommendation to award the Base Bid specified above, in the amount of \$2,379,000. The L.A. for Kids Steering Committee also approved the recommendation of Proposition K Inflation funds in the amount of \$609,000.

Bid specifications require that contractors self perform a minimum of 50% of the construction. Tobo Construction, Inc., the apparent low bidder, achieved a 58.23% prime contractor self-performance level. Staff has reviewed the documentation provided by Tobo Construction, Inc., regarding its outreach effort and, based on the documents submitted, has determined that Tobo Construction, Inc., met the Good Faith Outreach Effort (GFE) requirements. The GFE document package is on file in the Board Office, and a synopsis of said package is attached to this report. The City Attorney and Department staff have reviewed the bid submitted by Tobo Construction, Inc., and found it to be in order. Staff recommends that the Board find Tobo Construction, Inc., to be the lowest responsive and responsible bidder.

In accordance with the requirements of the California Environmental Quality Act (CEQA), a Mitigated Negative Declaration (MND) was prepared for the recreational development of the entire site. The MND was adopted and filed with the offices of the Los Angeles City Clerk on June 19, 2003, and Los Angeles County Clerk on June 20, 2003.

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FISCAL IMPACT STATEMENT:

There is no anticipated fiscal impact to the Department's budget, as the project's construction costs will be fully funded by Proposition K and Proposition 12 funds. The assessments of the future operations and maintenance costs have yet to be determined.

This report was prepared by Albert Murillo, Project Manager and was reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, Bureau of Engineering; and Bradley M. Smith, P.E., Chief Deputy Engineer, Bureau of Engineering.

GUIDELINES FOR EVALUATION OF GOOD FAITH EFFORT CHECKLIST

Bidder: TOBO Construction Inc.

Bid Date: December 19, 2006

Project Name: Blythe Street Recreation Center – Recreation Center (W.O. #170934F)

Indicator	Required Documentation	Description of Submitted or Missing Documentation	Points	
1	The bidder's or proposal'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 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			100	
MBE =0% WBE= 0 %			MBE/WBE ACHIEVED: 0%	

OBE= 41.77% PRIME= 58.23 %