

APPROVED
APR 19 2007

REPORT OF GENERAL MANAGER

NO. 07-98

DATE April 19, 2007

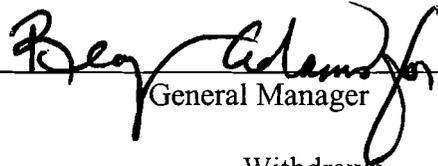
BOARD OF RECREATION
and PARK COMMISSIONERS

C.D. 6

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: BRAND PARK - COMMUNITY BUILDING (#2800N) (W.O. #E170935F) -
REVIEW OF BIDS AND AWARD OF CONTRACT

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



General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Review, consider, and adopt the final Initial Study (IS) and Mitigated Negative Declaration (MND) for the Brand Park - Community Building #2800N) (W.O.#E170935F) project, finding that on the basis of the whole record, including the IS/MND and all comments received, there is no substantial evidence that the project will have a significant effect on the environment, and that all potentially significant environmental effects of the project have been properly disclosed and evaluated in the IS/MND in compliance with the California Environmental Quality Act (CEQA) and the State and City CEQA Guidelines and reflect the Board's independent judgment and analysis;
2. Adopt the Mitigation Monitoring Plan as contained in Chapter 5 of the Final MND for the implementation of the specified mitigation measures as part of the project;
3. Direct Staff to file a Notice of Determination with the Los Angeles City Clerk and the Los Angeles County Clerk within five days of Board's adoption of the Final MND;
4. Find Tek-Up Construction, Inc., with a base bid of \$1,452,971, to be the lowest responsive and responsible bidder for Brand Park - Community Building (#2800N) (W.O. #E170935F) project;

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5. Award the contract, in the total award amount of \$1,452,971, all according to the plans and specifications;
6. Authorize the Chief Accounting Employee to encumber \$1,060,524 in available funds and \$392,447 in pending funds, upon approval by City Council of the Proposition K Year 11 funds and reimbursement of the Proposition 12 Per Capita funds from the State, from the following fund and account numbers under the awarding authority of this Board Report;

APPROVED FUNDING

<u>FUNDING SOURCE</u>	<u>FUND/DEPT/ ACCOUNT</u>	<u>GRANT AMOUNT</u>	<u>AVAILABLE AMOUNT</u>	<u>ENCUMBRANCE AMOUNT</u>
Prop K YR 10	43K/10/A598	\$ 100,000	\$ 100,000	\$ 100,000
Prop 12 Murray Hayden	205/89/VB01	\$ 946,000	\$ 863,796	\$ 654,500
Prop A	205/89/VH01	\$ 500,000	\$ 306,024	\$ 306,024
APPROVED FUNDING TOTAL		\$ 1,546,000	\$ 1,269,820	\$ 1,060,524

PENDING FUNDING

<u>FUNDING SOURCE</u>	<u>FUND/DEPT/ ACCOUNT</u>	<u>GRANT AMOUNT</u>	<u>AVAILABLE AMOUNT</u>	<u>ENCUMBRANCE AMOUNT</u>
Prop 12 Per Capita ⁽¹⁾	TBD	\$ 531,375	\$0	\$287,511
Proposition K YR11 ⁽²⁾	TBD	\$ 356,200	\$0	\$104,936
PENDING FUNDING TOTAL		\$ 887,575	\$0	\$392,447
GRAND TOTAL FUNDING		\$ 2,433,575	\$1,269,820	\$1,452,971

NOTES

- (1) Funding has been approved by the State and will be made available on a reimbursement basis.
- (2) Availability of funding is subject to City Council approval of the Engineer's Report for FY 2007-08.

7. Request staff to prepare a contract, which includes a "funding clause" limiting the City's liability for contract payments to the amount of available funding appropriated by the City for this contract in the amount of \$1,060,524, as well as so limiting the contractor's obligation to perform the contract, as further described in this report; and,

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

SUMMARY:

On November 15, 2006 (Board Report No. 06-333), the Board of Recreation and Park Commissioners approved final plans and call for bids for the Brand Park - Community Building (#2800N) (W.O. #E170935F) project located at 15121 S. Brand Boulevard, Mission Hills, CA 91345. The estimate for the base bid construction cost of this project is \$1,400,000. Plans for this project were prepared by Miralles Associates, Inc. The proposed structure is a single story 3,050 square-foot community building which includes an assembly room, small office, small serving/warming kitchen, restrooms, storage, and mechanical spaces that are incidental for the operation of this facility. Landscape improvements throughout the courtyard include a new gazebo, trellis and landscaping, paving and irrigation work.

On February 6, 2007, twelve bids were received for this project. The apparent lowest responsive and responsible bidder is Tek-Up Construction, Inc., with a base bid amount of \$1,452,971, which is \$52,971 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 deductive alternates. 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>
Tek-Up Construction, Inc.	\$ 1,452,971	\$ 16,600	\$ 11,500	\$ 24,010
Horizon CCI Services, Inc.	\$ 1,493,200	\$ 60,000	\$ 50,250	\$ 11,100
Procon Developers & Engineers, Inc.	\$ 1,675,075	\$ 34,290	\$ 78,021	\$ 33,644
AWI Builders, Inc.	\$ 1,729,911	\$ 25,000	\$ 34,800	\$ 59,600
G Coast Construction Inc.	\$ 1,779,000	\$ 40,000	\$ 45,000	\$ 10,000
L.A. Builders, Inc.	\$ 1,820,000	\$ 18,000	\$ 56,000	\$ 22,000
Trimax Construction Corp.	\$ 1,915,000	\$ 4,000	\$ 30,000	\$ 32,000
General Construction Services, Inc.	\$ 1,949,000	\$ 18,700	\$ 44,000	\$ 29,000
Tobo Construction, Inc.	\$ 2,080,500	\$ 9,000	\$ 15,000	\$ 14,000
T.L.D. Construction, Inc.	\$ 2,095,700	\$ 41,200	\$ 56,400	\$ 42,800
Delmac Construction & Development, Inc.	\$ 2,298,000	\$ 6,200	\$ 5,500	\$ 9,100
Simgel Co., Inc.	\$ 2,448,700	\$ 55,000	\$ 70,000	\$ 30,000

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Tek-Up Construction, Inc., submitted the lowest base bid, as shown above. Three deductive alternates were also included in the bid packages. Upon the City Council approval of the proposed Proposition K YR 11 funds, and reimbursement of the Proposition 12 Per Capita funds from State Parks, sufficient funds will be available to award the base bid with none of the deductive alternates being exercised.

Currently, we are requesting the encumbrance of \$100,000 in Proposition K year 10, \$654,500 in Proposition 12 Murray Hayden, and \$306,024 in Proposition A for a total encumbrance of \$1,060,524. The remaining funds, in the amount of \$392,447, required to fully encumber the contract are contingent upon the City Council approval of the proposed Proposition K FY11 allocation (\$104,936) and reimbursement of the Proposition 12 Per Capita funds from the State (\$287,511). If these funds are appropriated, the Department's Chief Accounting Employee will be able to encumber the balance required to fully encumber the contract. The contractor would be informed of the amount of the appropriation being made to the contract from the additional funding and notified to continue working until project completion, or until the appropriated funding for the project is expended, which ever comes first. The L.A. for Kids Steering Committee was advised of this at the March 29, 2007, meeting.

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

<u>FUNDING SOURCE</u>	<u>FUND/DEPT/ACCOUNT NO.</u>	<u>AVAILABLE ENCUMBRANCE AMOUNT</u>
Proposition K FY 10	43K/10/A598	\$ 100,000
Proposition 12 Murray Hayden	205/89/VB01	\$ 654,500
Proposition A	205/VH01	\$ 306,024
	Total Available Funding	\$1,060,524

The contract will provide that the City's liability for the contract payments shall only be to the extent of the City appropriation to fund the contract. If the remaining funds become available, 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 available funding, plus additional funding appropriated by the City, if any, for this project.

Bid specifications require that contractors self perform a minimum of 50% of the construction. Tek-Up Construction, Inc., the apparent low bidder, has agreed to self perform 86% of the work. Staff has reviewed the documentation provided by Tek-Up Construction, Inc., regarding its MBE/WBE/OBE subcontractor outreach effort and, based on the documents submitted, has determined that Tek-Up Construction, Inc., met the Good Faith Effort (GFE) requirements. Tek-Up Construction, Inc., achieved 100 out of 100 of the GFE evaluation points, as indicated on the

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attached GFE checklist. Achievement of 75 points or more indicates a passing score and that the bidder is responsive to this bid requirement. 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 staff have reviewed the bid submitted by Tek-Up Construction, Inc., and found it to be in order. Staff recommends that the Board find Tek-Up Construction, Inc., to be the lowest responsive and responsible bidder.

In accordance with the requirements of the California Environmental Quality Act (CEQA), an Initial Study/Mitigated Negative Declaration (IS/MND) was prepared for the proposed project, which documented that all potential effects of the project would not have a significant impact on the environment or could be mitigated to a level of less than significant with the implementation of the specified mitigation measures. The MND was circulated to all interested parties and responsible local and State agencies for a 30-day review and comment period from January 25, 2007, to February 26, 2007. Only one substantive comment was received, which stated that the proposed project would not impact City Police services and would make a positive contribution to community safety. All comments received have been incorporated into the final MND.

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, Proposition 12, and Proposition A funds. The assessments of the future operations and maintenance costs have yet to be determined, but will be included in future budget requests upon completion of the project.

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

GUIDELINES FOR EVALUATION OF GOOD FAITH EFFORT CHECKLIST

Bidder: TEK-UP Construction, Inc.

Bid Date: February 6, 2007

Project Name: Brand Park Recreation/Community Building – W.O. #E170935F

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 plan holder 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 = 3% WBE = 7 %			MBE/WBE ACHIEVED:	
				8%

OBE = 0% PRIME = 86 %