

REPORT OF GENERAL MANAGER

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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>
CDBG 30 th Yr/RAP	424/22/W445			
Acct.	205/88/WC15	\$ 250,000	\$ 218,000	\$ 218,000
Kaiser Donation ⁽¹⁾	205/88/YD07	\$ 300,000	\$ 300,000	\$ 230,000
Sites & Facilities	209/88/W233	\$ 300,000	\$ 300,000	\$ 300,000
Proposition 40 2/3				
Per Cap	47T/22/A810	\$ 525,000	\$ 52,500	\$ 52,500
Proposition 40 RZH	47W/22/A912	\$ 525,000	\$ 52,500	\$ 52,500
Proposition 40				
Urban Park	205/89/WV02	\$3,000,000	\$ 272,439	\$ 272,439
RAP – Special Acct.	302/89/802M	\$2,000,000	\$ 1,993,000	\$ 1,171,000
Proposition K YR 09	43L/10/Y548	<u>\$1,000,000</u>	<u>\$ 693,683</u>	<u>\$ 693,000</u>
APPROVED FUNDING TOTAL		\$7,900,000	\$ 3,882,122	\$ 2,989,439

PENDING FUNDING

<u>FUND SOURCE</u>	<u>FUND/DEPT/ACCT</u>	<u>GRANT AMOUNT</u>	<u>AVAILABLE AMOUNT</u>	<u>PENDING ENCUMBRANCE AMOUNT</u>
Proposition 40 2/3				
Per Cap ⁽²⁾	47T/22/A810	\$525,000	\$0	\$341,500
Proposition 40				
RZH ⁽²⁾	47W/22/A912	\$525,000	\$0	\$341,500
Proposition 40				
Urban Park ⁽²⁾	205/89/WV02	<u>\$3,000,000</u>	<u>\$0</u>	<u>\$1,977,561</u>
PENDING FUNDING TOTAL		<u>\$4,050,000</u>	\$0	<u>\$2,660,561</u>
GRAND TOTAL FUNDING		\$11,950,000 7,900,000	\$3,882,122	\$5,650,000

(1) Funds donated by the Kaiser Foundation are to be used specifically for the water slide. These funds were approved by the Board of Recreation and Park Commissioners on May 3, 2006 (Board Report No. 06-102).

(2) Funding will be made available from State Park Bond Funds on a reimbursement basis.

5. Request the staff to prepare a contract, including a “funding clause” limiting the City’s liability for the contract payments to the amount of funding appropriated by the City for this contract, which is \$2,989,439, as well as so limiting the contractor’s obligation to perform the contract, as further described in this report; and,

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

SUMMARY:

On February 21, 2007, the Board approved final plans and call for bids for the Jackie Tatum / Harvard Park Pool and Bathhouse - Phase II (W.O. #E170601F) project, located at 6120 Denker Avenue, Los Angeles, CA 90047 (Board Report No. 07-43). Plans for this project were prepared by Jones & Madhavan, a consultant for the Department of Recreation and Parks. The construction cost estimate of this project is \$5,250,000.

On April 10, 2007, three bids were received for this project. The lowest responsive and responsible bidder is Western Group, Inc., with a bid amount of \$5,650,000, which is \$400,000 above the City Engineer's cost estimate. The bid amounts received are as follows:

<u>Bidders</u>	<u>Bid Amount</u>
Western Group, Inc.	\$5,650,000
USS Cal Builders, Inc.	\$6,974,000
T.B. Penick & Sons, Inc.	\$7,574,000

Western Group, Inc., submitted the lowest bid, as shown above. It is anticipated that upon the City's request and receipt of the remaining grant authorization for the project from the State, sufficient funds will be available to award the project and allow for contingencies during construction. It is recommended that the project be awarded to Western Group, Inc., for a total construction contract of \$5,650,000.

Currently, only \$2,989,439 is available for construction, from the following funding sources: CDBG, Kaiser Donation, Sites & Facilities, Proposition 40 2/3 Per Capita, Proposition 40 RZH, Proposition 40 Urban Park, Recreation and Parks Special Account Funds, and Proposition K. The remaining \$2,660,561 required to fully encumber the contract is contingent upon the City's request and receipt of the remaining State funds, and in the meantime, the availability of the City's Proposition 12/40 Cash Flow Funds from the Public Works Trust Fund and Municipal Improvement Corporation of Los Angeles (MICLA) Fund. The Cash Flow Funds were previously approved by the City Council for the Proposition 12 and 40 projects. When the remaining funds are appropriated to the project, the Department's Chief Accounting Employee will be able to encumber the balance required to fund the project.

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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 receipt of Proposition 40 funds from State Parks or the availability of the Proposition 12/40 Cash Flow Fund, 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 the project.

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

<u>FUND SOURCE</u>	<u>FUND/DEPT/ACCT</u>	<u>GRANTAMOUNT</u>
CDBG	424/22/W445	\$250,000
Kaiser Donation ⁽¹⁾	205/88/YD07	\$300,000
Site & Facilities	209/88/W233	\$300,000
Prop 40 2/3 Per Cap	47T/22/A810	\$525,000
Prop 40 RZH	47W/22/A912	\$525,000
Prop 40 Urban Park	205/89/WV02	\$3,000,000
RAP – MRP	302/89/802	\$2,000,000
Proposition K YR 09	43L/10/Y548	<u>\$1,000,000</u>
	APPROVED FUNDING TOTAL	\$7,900,000

Upon receipt of the City's cash flow loan funds or the Proposition 40 funds from the State Parks Department, the contractor will 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 May 31, 2007, the L.A. for Kids Steering Committee was made aware that full encumbrance of the contract amount is contingent upon the receipt of these funds from the State and approved the recommendation to award the contract to the lowest responsive, responsible bidder.

Staff has reviewed the outreach effort made by Western Group, Inc., and based on the documents submitted, has determined that a good faith effort has been made. The contractor obtained a Minority Business Enterprise/Women Business Enterprise (MBE/WBE) participation of 3.15% and satisfied 83 points of the 100-point requirement outlined by the Board's Outreach Program. The Outreach Document Package is on file in the Board Office, and a synopsis of said package is attached.

The City Attorney and Department staff reviewed the bid submitted by Western Group, Inc., and found it to be in order. Staff recommends that the Board find Western Group, Inc., to be the lowest responsive and responsible bidder.

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In compliance with the California Environmental Quality Act (CEQA), staff has determined that the subject project will consist of the construction of the pool and bathhouse within the same footprint and with the same purpose and capacity as the existing pool facilities. The project was determined to be Categorical Exempt pursuant to Article III, Section 1 (c)(6) and Section 1 (k)(6), Class 11(6) of the City CEQA Guidelines. A Notice of Exemption was filed with the Los Angeles City Clerk's Office and the Los Angeles County Clerk's Office on February 24, 2006.

FISCAL IMPACT STATEMENT:

There is no anticipated fiscal impact to the Department's budget because the project's construction costs will be fully funded by the aforementioned funding sources specifically identified and approved for use of this project. The assessments of the future operations and maintenance costs have yet to be determined and will be addressed in future budget request.

This report was prepared by Marlon Calderon, Project Manager, Recreation and Cultural Facilities Program, Bureau of Engineering, and was reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, Bureau of Engineering; Bradley M. Smith, P.E., Chief Deputy City Engineer, Bureau of Engineering and Mike Shull, Superintendent of Planning and Construction, Recreation and Parks.

GUIDELINES FOR EVALUATION OF GOOD FAITH EFFORT CHECKLIST

Bidder: Western Group Inc. **Bid Date:** 4/10/2007

Project Name: Harvard Park Pool Bathhouse Phase II (W.O. #E170601F)

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.	Letters were faxed less than 15 calendar days before the bid due date	10 0
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.	Did not include information about assisting with bond, lines of credit and insurance in indicators 4 & 5	7 0
TOTAL POINTS ACHIEVED			83
MBE/WBE ACHIEVED:			3.15%

MBE = 3.15% WBE= 0% OBE= 0% PRIME= 50%