

APPROVED

REPORT OF GENERAL MANAGER

APR 17 2013

NO. 13-093

DATE April 17, 2013

BOARD OF RECREATION
AND PARK COMMISSIONERS

C.D. 7

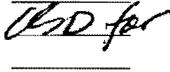
BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: MID-VALLEY INTERGENERATIONAL MULTIPURPOSE CENTER
(W.O. #E170239F) PROJECT – REVIEW OF BIDS AND AWARD OF
CONTRACT

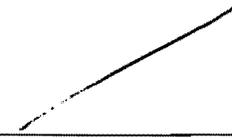
R. Adams
H. Fujita
V. Israel



K. Regan
*M. Shull
N. Williams




General Manager

Approved 

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Find Royal Construction, Corp. (Royal), to be non-responsive to the bid requirements for failure to submit a valid bid bond and for failure to meet the Prime Contractor's Minimum Qualifications requirement as defined in the bid documents;
2. Find Cal-City Construction, Inc. (Cal-City), to be non-responsive to the bid requirements for failure to meet the Prime Contractor's Minimum Qualifications as defined in the bid documents;
3. Find Mallcraft, Inc. (Mallcraft), with a base bid of \$2,120,000, to be the lowest responsive and responsible bidder for the Mid-Valley Intergenerational Multipurpose Center (W.O. #E170239F) project;
4. Award the contract to Mallcraft, in the total contract amount of \$2,120,000, all according to the plans and specifications;
5. Authorize the Chief Accounting Employee to encumber \$2,120,000 in available funds in the following fund and account numbers under the authority of this Board Report; and,

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<u>FUNDING</u> <u>SOURCE</u>	<u>FUND/DEPT NO./</u> <u>ACCT. NO.</u>	<u>ENCUMBRANCE</u> <u>AMOUNT</u>
CRA (AB 1290)	100/54/00C748	\$1,180,000
Proposition 40 - RZH	205/88/TBD (Cash Flow Account) 47W/89/TBD	\$ 500,000
Proposition 40 - PC	205/88/TBD (Cash Flow Account) 47T/89/TBD	<u>\$ 440,000</u>
TOTAL		\$2,120,000

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

SUMMARY:

On September 5, 2012, the Board approved the final plans and call for bids for the Mid-Valley Intergenerational Multipurpose Center (W.O #E170239F) project located at 9540 Van Nuys Boulevard, Panorama City, California 91402 (Board Report No. 12-247).

The project plans and specifications call for the construction of a new intergenerational multipurpose center. The facility includes the construction of a single story, 2,500 square foot building and outdoor improvements including landscape, irrigation, walking paths, and parking; and installation of picnic tables, drinking fountains, security lighting, and signage. Installation of fitness equipment and play equipment is also proposed under a separate contract.

The City Engineer's estimated construction cost for the project is \$2,100,000.

On November 13, 2012, the Board received a total of twelve (12) bids as follows:

<u>Bidders</u>	<u>Base Bid</u>
Royal Construction Corp.	\$1,986,000
Cal-City Construction , Inc.	\$2,040,000
Mallcraft, Inc.	\$2,120,000
Woodcliff Corporation	\$2,126,000
Morillo Construction, Inc.	\$2,287,000
Newman Midland Corp.	\$2,331,773
California Averland Construction, Inc.	\$2,410,000
Pacwest Corp.	\$2,427,000
Ian Thomas Group	\$2,558,650
AKG Construction, Inc.	\$2,580,000
Harbor Construction Co. Inc.	\$2,592,000
C. S. Legacy Construction, Inc.	\$2,599,929

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The determination of the low bidder was defined in the bid documents as the bidder submitting the lowest base bid. Furthermore, bidders were asked to submit along with the bid two (2) additional qualifying documents: 1) the "Prime Contractor's Minimum Qualifications – Experience with Public Building Construction" sheets to provide evidence of prior experience as defined in Sheet GR-S2 of the contract plans and specifications; and 2) the "Qualified Storm Water Pollution Prevention Plan (SWPPP) Developer and Qualified SWPPP Practitioner" sheet to provide evidence that a trained and certified SWPPP Developer and Practitioner is a part of the construction team.

The Prime Contractor's Minimum Qualifications require that "the Prime Contractor must have prior building experience and must have completed a minimum of three (3) public buildings for a governmental agency in the last five (5) years in the State of California. The building and outdoor improvements must all be new construction, comparable or larger in size and scope to this project, and currently in operation."

While the low bidder, Royal, submitted the lowest base bid, Royal was found to be non-responsive for failure to submit a valid bid bond and for failure to meet the Prime Contractor's Minimum Qualifications requirement. The bid bond was found to be invalid because an unauthorized individual signed the bid bond. The person who signed the bid bond as "Attorney-in-Fact" is Mr. Philip Vega. However, the Power of Attorney from the Fidelity and Deposit Company of Maryland does not list Mr. Vega as Attorney-in-Fact. Two (2) other names were listed. Royal failed to meet the Prime Contractor's Minimum Qualification requirements because of the three (3) projects submitted by Royal, only two (2) projects met the criteria of a public building of new construction, comparable or larger in size and scope to this project.

The second low bidder, Cal-City, was also found to be non-responsive for failure to meet the Prime Contractor's Minimum Qualification requirement. Of the three (3) projects submitted by Cal-City, only one (1) project met the criteria of a public building of new construction.

The third low bidder is Mallcraft. Mallcraft met the Prime Contractor's Minimum Qualification requirement. Mallcraft submitted three (3) projects that met the criteria of a public building of new construction of the three (3) required in the bid documents. Staff has verified the project descriptions provided by Mallcraft with the owner's representatives and designer of record for the three (3) projects. All three (3) projects meet the criteria.

The bid documents required the bidders to submit the Qualified SWPPP Developer and Qualified SWPPP Practitioner sheet with information on trained and certified individuals for the project. Mallcraft submitted the information sheet and staff has verified that the individuals listed are trained and certified.

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The project is subject to the City's Business Inclusion Program (BIP), in compliance with the Mayor's Executive Directive No. 14, which replaces the former Minority Business Enterprise, Women Business Enterprise, and Other Business Enterprise (MBE/WBE/OBE) Good Faith Effort Subcontractor Outreach Program. Mallcraft has successfully posted all the required BIP outreach documentation on the Los Angeles Business Assistance Virtual Network (LABAVN) that demonstrated satisfactory effort on the outreach of minority (MBE), women (WBE), small (SBE), emerging (EBE), disabled veteran (DVBE) and other (OBE) sub-bid or subcontracting businesses. Staff has evaluated the outreach documentation submitted by Mallcraft, and determined that Mallcraft has passed all six (6) indicators as required for the effort to obtain sub-bid/subcontracting participation by MBE, WBE, SBE, EBE, DVBE and OBE businesses, and is in compliance with the BIP outreach requirements. The outreach documentation package is on file with the Board Office, and a synopsis of said package is attached.

The Instructions to Bidders required that the prime contractor shall perform, with its own organization, contract work amounting to at least 20% of the base bid price. Based on the information provided by Mallcraft on Schedule "A", Mallcraft will perform 39% of the base bid amount, which exceeds the prime contractor's self-performance amount requirement of 20% as specified in the bid documents.

The City Attorney and staff have reviewed the bid submitted by Mallcraft and found it to be in order. Staff reviewed the responsiveness and work performance of Mallcraft on past Department projects and found them to be satisfactory. Based on the information above, staff recommends that the Board find Mallcraft to be the lowest responsive and responsible bidder.

Sufficient funds are available to award the contract and for construction contingencies in the following fund and account numbers:

<u>FUNDING SOURCE</u>	<u>FUND/DEPT NO./ACCT. NO.</u>
CRA (AB 1290)	100/54/00C748
CIEP	100/54/00G996
Quimby Funds	302/89/89460K-MM
Proposition 40 - RZH	205/88/TBD (Cash Flow Account) 47W/89/TBD
Proposition 40 - PC	205/88/TBD (Cash Flow Account) 47T/89/TBD

Staff recommends that the Board award the contract to Mallcraft, in the total contract amount of \$2,120,000.

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In compliance with the California Environmental Quality Act (CEQA), staff has determined that the proposed improvements will not have a significant impact on the environment. This project has been determined to be Categorical Exempt pursuant to Article III, Sections 1(a)(11), 1(c)(17), and 1(d)(3) of the City CEQA Guidelines. A Notice of Exemption was filed with the Los Angeles City Clerk's Office on November 9, 2010, and posted by the County Clerk's Office on November 10, 2010.

FISCAL IMPACT STATEMENT:

At this time, there is no immediate fiscal impact to the Department for the actions recommended in this Board Report. However, once this project is completed, operational maintenance costs will be determined. Upon project completion, a request for funding will be submitted in future Department annual budget requests.

This report was prepared by Cathie Santo Domingo, Superintendent, Planning, Construction, and Maintenance Branch, Department of Recreation and Parks.

**CITY OF LOS ANGELES
GUIDELINES FOR EVALUATION OF THE BUSINESS INCLUSION PROGRAM
(BIP) OUTREACH CHECKLIST**

Bidder: Mallcraft, Inc. Bid Date: 11/13/12

Project Name: MID VALLEY MULTIPURPOSE INTERGENERATIONAL CENTER W.O. #: E170239F

Indicator	Required Documentation	Description of Submitted or Missing Documentation	Credit						
2 Pre-Bid Meeting	a) Attend pre-bid meeting and be listed on the attendance sheet, or b) Submit a letter either by e-mail, mail, or fax to the Bureau of Engineering, Project Award and Control (PAC) on certifying it is informed of the BIP project requirements and has participated in a City-sponsored or City approved matchmaking event in the past 12 months. Note: If the RFB states that the pre-bid meeting is mandatory, then attendance at the pre-bid meeting is the only way to pass this indicator.		✓						
3 Work Areas	Proof of this must be demonstrated in Indicator 4. The notification must be performed using the BAVN's BIP Outreach Reports system.	(Automatic after meeting Indicator 4 requirements)	✓						
4 Written Notice to Sub-contractors	E-mail or fax notification in each of the selected potential work areas to available MBEs, WBEs, SBEs, EBEs, DVBEs, and OBEs for each anticipated work area to be performed. The notification must be performed using the BAVN's BIP Outreach Reports system. The notification may be to potential sub-bidders/ subcontractors either currently registered on the BAVN or added to the BAVN by the bidder. Letters must contain areas of work selected to be subcontracted, City of Los Angeles project name, name of the bidder, and contact person's name, address, and telephone number. Bidders are required to send notifications to a sufficient number of firms in each potential sub work area as determined by the City. Typically, the sufficient number of firms is determined by the total number of potential sub-bidders/ subcontractors in each sub work area.		✓						
5 Plans, specifications and requirements	Include, in Indicator 4, information detailing how, where, and when the bidder will make the required information available to interested potential sub-bidders/ subcontractors. The notification must be performed using the BAVN's BIP Outreach Reports system.	(Automatic after meeting Indicator 4 requirements)	✓						
6 Negotiate in Good Faith	a) Copies of all potential MBE/WBE/SBE/EBE/DVBE/OBE bids or quotes received must be submitted prior to award of a contract; and b) Online Summary Sheet must be completed, listing the bids or quotes received, the name of the sub-bidder/ subcontractor who submitted the bid or quote, and a brief reason given for selection/ non-selection of each subcontractor. The reasons for selection/non-selection should be included in the Notes section of the online Summary Sheet. If the bidder elects to perform a listed work area with its own forces, they must include a bid/ quote for comparison purposes and an explanation must be provided and included on the Summary Sheet. All bids/ quotes received, regardless of whether or not the bidder outreached to the sub-bidder/ subcontractor, must be submitted. To this extent, the City expects the bidder to submit a bid/ quote from each sub-bidder/ subcontractor listed on the Summary Sheet. The Summary Sheet must be performed using the BAVN's BIP Outreach Reports system and must be submitted by 4:30 p.m. the following City working day after the date bids are received by the Board of Public Works. If a bid/quote is submitted by a sub-bidder/subcontractor that is not registered on the BAVN, the contractor is required to add that firm to their Summary Sheet.		✓						
7 Bonds	Include, in Indicator 4, information about the bidder's efforts to assist with bonds, lines of credit, and insurance. The notification must be performed using the BAVN's BIP Outreach Reports system.	(Automatic after meeting Indicator 4 requirements)	✓						
Prime % = 39%									
<table style="width: 100%; border: none;"> <tr> <td style="width: 16.6%;">MBE%= 15%</td> <td style="width: 16.6%;">WBE%= 0%</td> <td style="width: 16.6%;">SBE%= 16%</td> <td style="width: 16.6%;">EBE%= 1%</td> <td style="width: 16.6%;">DVBE%= 1%</td> <td style="width: 16.6%;">OBE%= 43%</td> </tr> </table>				MBE%= 15%	WBE%= 0%	SBE%= 16%	EBE%= 1%	DVBE%= 1%	OBE%= 43%
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RESPONSIVE