

**APPROVED**

**JUN 05 2013**

**BOARD OF RECREATION  
& PARK COMMISSIONERS**

REPORT OF GENERAL MANAGER

NO. 13-144

DATE June 5, 2013

C.D. 13

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: HOLLYWOOD RECREATION CENTER – POOL AND POOL BUILDING (PRJ1402B) (W.O. #E170344F) PROJECT – REVIEW OF BIDS AND AWARD OF CONTRACT

R. Adams \_\_\_\_\_  
H. Fujita \_\_\_\_\_  
V. Israel \_\_\_\_\_

K. Regan \_\_\_\_\_  
\*M. Shull MS  
N. Williams \_\_\_\_\_

  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Find Morillo Construction, Inc., (Morillo) with a base bid of \$5,196,000 to be the lowest responsive and responsible bidder for the Hollywood Recreation Center – Pool and Pool Building (PRJ1402B) (W.O. #E170344F) project;
2. Award the contract to Morillo for a total contract amount of \$5,196,000 all according to the plans and specifications;
3. Authorize the Department’s Chief Accounting Employee to encumber \$5,196,000 from the following funds and account numbers under the awarding authority of this Board Report;

FUNDING SOURCE	DEPT NO./FUND NO/ ACCT.NO.	ENCUMBRANCE AMOUNT
Quimby	89/302/89460K-HF	\$3,919,664
Proposition K Year 11	10/43K/10C590	\$ 84,064
Proposition K Year 12	10/43K/10E590	\$ 173,262
Proposition K Year 15	10/43K/10H590	\$ 100,000
Proposition K Year 16*	10/43K/10J590	\$ 700,000
Proposition K Year 16 Inflation**	10/43K/10J590	\$ 219,010
Total:		\$5,196,000

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\* Availability of funds is subject to the approval of the 2013-14 Assessment Report by the Los Angeles City Council in June 2013, which includes reprogramming of Proposition K Interest funds for this project.

\*\* Availability of funds is subject to the approval of the 2013-14 Assessment Report by the Los Angeles City Council in June 2013, which includes reprogramming of Proposition K Inflation funds for this project.

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

SUMMARY:

On March 20, 2013, the Board approved final plans and call for bids for the Hollywood Recreation Center - Pool and Pool Building (PRJ1402B) (W.O. #E170344F) project, located at 1122 North Cole Avenue, Los Angeles, California 90038 (Board Report No. 13-069). Plans for this project were prepared by design consultant, Frank R. Webb Architects, under the direction of the Department of Public Works, Bureau of Engineering (BOE), Recreational and Cultural Facilities Program. The proposed scope of work involves the construction of a new approximately 9,600 square-foot pool with integrated splash area, pool deck, Americans with Disabilities Act (ADA) access ramp and railing, waterslide, diving stand, and covered spectator areas. The scope of work also includes construction of a new pool building with shower facilities, life guard training, pool equipment room, storm water tank, irrigation and landscape and perimeter fence with gate. The pool component of the project is being funded with Quimby funds and the pool building component is being funded with Proposition K specified funds. The Proposition K ballot measure allocated a total of \$3,000,000 to construct a modern gymnasium and modern pool building. A total of \$1,500,000 out of the \$3,000,000 in Proposition K funds is being allocated to the pool building component of this project. The remaining \$1,500,000 is being reserved to be allocated to a future phase for construction of a modern gymnasium.

On April 23, 2013, nine (9) bids were received for this project. The lowest responsive and responsible bidder is Morillo Construction, with a base bid amount of \$5,196,000 which is \$1,104,000 below the City Engineer's cost estimate of \$6,300,000. The bid amounts received are as follows:

<u>Bidders</u>	<u>Base Bid</u>
Morillo Construction, Inc.	\$5,196,000
USS Cal Builders, Inc.	\$5,300,000
Horizon Construction Company International, Inc.	\$5,446,000
Ford E.C., Inc.	\$5,583,000
Dreyfuss Construction	\$5,733,814
Sea West Enterprises, Inc.	\$5,777,000
G2K Construction, Inc.	\$5,899,000

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<u>Bidders</u>	<u>Base Bid</u>
Simgel Co., Inc.	\$5,972,000
Shefir Construction Inc.	\$5,988,500

The bid specifications stated that the low bidder would be determined to be the responsible and responsive bidder submitting the lowest base bid. Morillo Construction submitted the lowest base bid, as shown above. It is recommended that the project be awarded to Morillo Construction, for a total construction contract of \$5,196,000.

Sufficient funds are available to award the contract and for the construction and project contingencies from the following accounts:

FUNDING SOURCE	DEPT. NO. /FUND NO./ACCT. NO.
Quimby	89/302/89460K-HF
Proposition K Year 11	10/43K/10C590
Proposition K Year 12	10/43K/10E590
Proposition K Year 15	10/43K/10H590
Proposition K Year 16*	10/43K/10J590
Proposition K Year 16 Inflation**	10/43K/10J590

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The project is subject to the City's new Business Inclusion Program (BIP), in compliance with the Mayor's 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. Morillo Construction has successfully posted all the required BIP outreach documentation on the Los Angeles Business Virtual Assistance Network (LABAVN) that demonstrated satisfactory effort in its outreach to Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and Other Business Enterprise (OBE) for sub-bid or subcontracting businesses. Staff has evaluated the outreach documentation submitted by Morillo Construction, and determined that they have 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 in the Board Office, and a synopsis of the said package is attached to this Report.

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Staff reviewed the responsiveness and work performance of Morillo Construction on past Department projects and found them to be satisfactory. The Department of Public Works, Office of Contract Compliance (OCC) indicated that there have been no labor compliance violations and that all other legal requirements have been complied with by the bidder.

The City Attorney and staff have reviewed the bid submitted by Morillo Construction and found it to be in order. Staff recommends that the Board find Morillo Construction 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 based on an Initial Study, which determined that all potentially significant environmental effects would be mitigated to a level less than significant. On December 8, 2010, the Board (Board Report No. 10-331) adopted the MND and associated Mitigation Monitoring and Reporting Plan (MMRP), and a Notice of Determination was filed with the Los Angeles County Clerk on December 14, 2010. There have been no substantial changes in the project scope or the environmental setting, and the adopted MND is still valid. Therefore, no additional CEQA compliance is required.

### FISCAL IMPACT STATEMENT:

There is no immediate fiscal impact to the Department's General Fund. The assessment of future operations and maintenance costs have yet to be determined and will be addressed in future budget requests.

This Report was prepared by Sean Phan and Shashi Bhakta, Project Manager, BOE Recreational and Cultural Facilities Program. Reviewed by Neil Drucker, Program Manager, BOE Recreational and Cultural Facilities Program; Deborah Weintraub, Chief Deputy City Engineer, Bureau of Engineering; and 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: Morillo Construction, Inc. Bid Date: 04/23/13

Project Name: HOLLYWOOD REC. CTR. – POOL & POOL BLDG. W.O. #: E170344F

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. <b>Note:</b> 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)	✓		
<b>Prime % = 28%</b>					
MBE%= 3%	WBE%= 0%	SBE%= 17%	EBE%= 0%	DVBE%= 0%	OBE%= 47%

**RESPONSIVE**