

APPROVED

01-18-2017

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 17-012

DATE January 18, 2017

C.D. 7

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: STONEHURST RECREATION CENTER – AMERICANS WITH DIABILITIES ACT FACILITY UPGRADES (W.O. #E170243F) PROJECT – REVIEW OF BIDS AND AWARD OF CONTRACT

AP Diaz _____

V. Israel _____

*R. Barajas yes _____

N. Williams _____

H. Fujita _____



General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION

1. Take the following actions regarding the bid protest dated October 7, 2016 from MZN Construction, Inc. (MZN), for the Stonehurst Recreation Center – American with Disabilities Act (ADA) Facility Upgrade (W.O. E170243F) Project (Attachment No. 1):
 - a. Note and File the protest letter filed by MZN against Axiom Group (Axiom) for the reasons stated in the Summary of this Report;
 - b. Reject the protest against Axiom for the reasons stated in the Summary of this Report;
2. Find Axiom to be the lowest responsive and responsible bidder for the Stonehurst Recreation Center – ADA Facility Upgrades (W.O. #E170243F) Project (Project);
3. Award the contract to Axiom in the amount of Two Hundred Thirty-Four Thousand, Four Hundred Eighty-Eight Dollars (\$234,488.00), all in accordance with the plans and specifications;
4. Authorize the Department of Recreation and Parks (RAP) Chief Accounting Employee to encumber from the following funds and account numbers under the awarding authority of this Report;

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<u>FUNDING SOURCE</u>	<u>FUND/DEPT./ACCT NO.</u>	<u>APPROPRIATION AMOUNT</u>
Proposition K - Year 15	43K/10/10H889	\$ 50,000.00
Proposition K - Year 17	43K/10/10K889	<u>\$184,488.00</u>
Total:		\$234,488.00

5. Authorize the General Manager or Designee to make technical corrections as necessary to carry out the intent of this Board Report; and,
6. Authorize the Board President and Secretary to execute the contract, subject to City Attorney approval as to form.

SUMMARY

On August 10, 2016, the Board approved final plans and call for bids for the Stonehurst Recreation Center – American with Disabilities Act (ADA) Facility Upgrade (W.O. E170243F) Project located at 9901 Dronfield Avenue, Los Angeles, California, 91352 (Report No. 16-177). The Department of Public Works, Bureau of Engineering (BOE) Architectural Division prepared the plans and specifications to renovate existing men and women’s restrooms to meet the current code requirements.

The scope of work includes demolition and installation of restroom stalls, walls, floor, sinks, handrails, and fixtures including electrical operated hand-driers and outlets. The renovation also constructs new entry doors equipped with electronically controlled security devices and a new pathway and loading space on Dronfield Avenue in front of recreation center.

The project is a Proposition K Specified project. As required by Proposition K, three (3) Local Voluntary Neighborhood Oversight Committee (LVNOC) meetings were conducted. The project gathered and incorporated comments from the LVNOC members and the community into the design plans. The LVNOC and Council District 7 (CD 7) are in support of the Project.

The City Engineer’s estimated construction cost for the Project is Two Hundred Fifteen Thousand Dollars (\$215,000.00).

On September 27, 2016, the Board received a total of two (2) bids as follows:

<u>Bidders</u>	<u>Base Bid</u>
Axiom Group	\$234,488.00
MZN Construction Inc.	\$349,562.48

The determination of the low bidder was defined in the bid documents as the bidder submitting the lowest base bid on the Schedule of Work and Price Form.

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COMMUNICATION RECEIVED

One (1) bid protest letter was received by the Board after the receipts of bids.

<u>Date Received</u>	<u>From</u>	<u>Subject</u>
October 11, 2016	MZN Construction Inc.	Protest

BID PROTEST BY MZN CONSTRUCTION, INC.

MZN filed a bid protest dated October 7, 2016 (Attachment No. 1) stating that Axiom submitted a non-responsive bid. MZN asserts that Axiom failed to submit a modification drawing by the bid due date as indicated in a note on Page A106 of the construction plans.

Response: Staff reviewed the bid documents and determined the following: 1) the note on Page A106 stipulates that the cost for providing the irrigation modification drawings must be included with the base bid price. Furthermore, Axiom submitted all documents required on the Notice to Bidders. Therefore, staff recommends that the Board reject MZN's bid protest against Axiom; and 2) the note on Page A106 is intended to require that the cost of providing the irrigation modification drawing must be included with the base bid price since the extent of modifications needed for the irrigation sprinklers and piping was not yet known. MZN incorrectly interpreted the note on Page A106 to require that bidders submit the modification drawing with their bid.

Staff has reviewed the bid submitted by Axiom and found it to be in order. Therefore, staff recommends that the Board reject MZN's bid protest against Axiom, and that the Board find Axiom to be the lowest responsive and responsible bidder.

BUSINESS INCLUSION PROGRAM

The Project is also subject to the City's Business Inclusion Program (BIP), in compliance with Executive Directive No. 14 (Villaraigosa Series), which replaces the former Minority Business Enterprise, Women Business Enterprise, and Other Business Enterprise (MBE/WBE/OBE) Good Faith Effort Subcontractor Outreach Program. Axiom has successfully posted all the required BIP outreach documentation on the Los Angeles Business Virtual Assistance Network (LABVN) 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. City staff has evaluated the outreach documentation submitted by Axiom, and determined that the bidder has passed all six indicators as required for the effort to obtain sub-bid/subcontracting participation by MBE, WBE, SBE, FBE, DVBE, and OBE businesses, and is in compliance with the BIP outreach requirements. The BIP outreach documents package is on file in the Board Office, and a synopsis of the BIP Outreach package is included with this Report as Attachment No. 2.

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The base bid amount of Axiom is Two Hundred Thirty-Four Thousand, Four Hundred Eighty-Eight Dollars (\$234,488.00), which is nine percent (9%) higher than the City Engineer's cost estimate. However, it is within the American Association of Cost Engineers standards.

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

<u>FUNDING SOURCE</u>	<u>FUND/DEPT./ACCT NO.</u>
Proposition K - Year 15	43K/10/10H889
Proposition K - Year 17	43K/10/10K889
Total:	

TREES AND SHADE:

All of the aforementioned scope of work, were requested and approved by the LVNOC and is being constructed to enhance the "Stone House" building at the Stonehurst Recreation Center. No trees will be removed or affected by the work scope proposed herein. Although trees and shade structures were not part of the Project work scope, RAP staff will continue to pursue possible installation of shade and trees at the site.

ENVIRONMENTAL IMPACT STATEMENT:

RAP's environmental staff has determined that the Project will consist of alterations of existing facilities, involving negligible or no expansion of capacity. Therefore, the Project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1 (1, 32) and Class 4 (3), of the City CEQA Guidelines.

FISCAL IMPACT STATEMENT:

The construction of this Project will be funded by Proposition K funds. Since the project is to provide code compliance and improvements to an existing facility that is already maintained by RAP, it is not anticipated to have a fiscal impact to RAP's General Fund.

This Report was prepared by Ray Araujo, Project Manager, BOE Architectural Division, and reviewed by Neil Drucker, Program Manager, Mahmood Karimzadeh, Architectural Division Manager; Deborah Weintraub, BOE, Chief Deputy City Engineer; and Cathie Santo Domingo, Superintendent, Planning, Construction and Maintenance Branch.

LIST OF ATTACHMENTS

- 1) Bid Protest Letter dated October 7, 2016 from MZN Construction Inc.
- 2) BIP Outreach Checklist for Axiom Group



MZN Construction Inc.

GENERAL CONTRACTOR

701 N. Harbor Blvd. La Habra, CA 90631

TEL: (562) 694-5441

FAX: (562) 694-5622

Sent Via Fax (213)202-2610 AND email RAP.Commissioners@LACITY.ORG

October 7, 2016

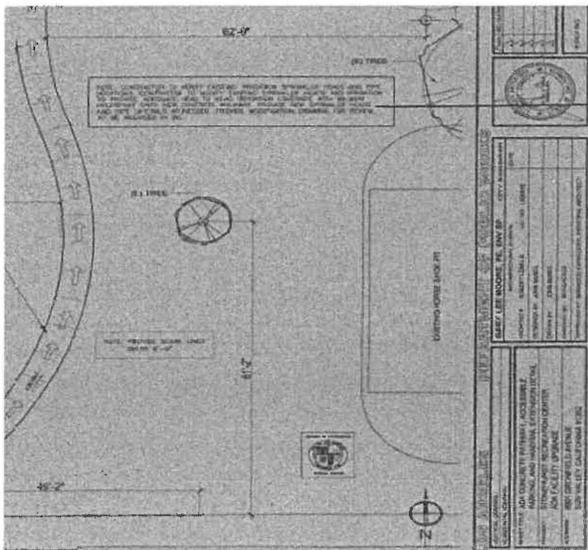
Board of Recreation and Park Commissioners
221 N. Figueroa Street, Ste 300
Los Angeles, CA 90012

RE: Bid Protest: Stonehurst Recreation Center
ADA Facility Upgrades
Project W.O. No. E170243F

Dear Commissioners,

This letter shall serve as a bid protest of Axiom Group, the respective lowest bidder for the above referenced project. MZN Construction, Inc. protests the bid that Axiom provided as non-responsive, and directs the Commissioners to the information below for a description of the following reason.

According to plans page A106 Sheet Title ADA Concrete Pathway Accessible Parking and Handrail and Extension Detail. Each Bidder was to provide a modification drawing for review and was to be included in bid.



→ PROVIDE MODIFICATION
DRAWING FOR REVIEW AND TO BE
INCLUDED IN BID.



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Stonehurst Recreation Center
ADA Facility Upgrades
Project W.O. No. E170243F

At the time of bid opening, Axiom Group submitted a sealed envelope with it's bid proposal that did not include this drawing as required.

Therefore, MZN Construction, Inc. is the lowest Responsible and Responsive bidder per plans and specifications.

I look forward to a response. Please don't hesitate to contact me at (562)694-5441 with any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read 'Diane Olson', with a long horizontal flourish extending to the right.

Diane Olson
Contracts Manager

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

Bidder: Axiom Group Bid Date: 09/27/2016

Project Name: Stonehurst Recreation Center – ADA Facility Upgrades Project W.O. #: E170243F

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.	pg 1 #6	✓
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 % = ~~##~~% 96%

MBE% = ~~##~~% WBE% = ~~##~~% SBE% = ~~##~~% EBE% = ~~##~~% DVBE% = ~~##~~% OBE% = ~~##~~% 4%

<<Enter RESPONSIVE or NON-RESPONSIVE>>