

APPROVED
FEB 15 2006

REPORT OF GENERAL MANAGER

BOARD OF RECREATION
and PARK COMMISSIONERS

NO. 06-35

DATE February 15, 2006

C.D. 13

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LEXINGTON POCKET PARK II (W.O. # E170951F) – REJECTION OF BIDS
AND DIRECTION TO RE-BID

J. Combs	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
B. Jensen	_____	*M. Shull	<u>ms</u>

Robert H. Jensen (fa)
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Reject the bids received on November 29, 2005;
2. Approve the final plans and specifications for re-bid of the Lexington Pocket Park II (W.O. #E170951F),
3. Approve and advertise the project for receipt of bids as Tuesday, March 14, 2006, at 3:00 PM in the Board Office; and,
4. Approve a reduction in the value of base bid work to be performed by the Prime Contractor from 50% to 20% minimum.

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SUMMARY:

On September 21, 2005, the Board approved final plans and call for bids for the Lexington Pocket Park II (W.O #E170951F), located at 5707 Lexington Ave., Los Angeles, 90038 (Board Report No. 05-238). The work includes improvements to develop the site as a pocket park. On November 29, 2005, the following bids were received:

<u>Bidders</u>	<u>Thomsen Landscape</u>	<u>CS Legacy Construction, Inc.</u>
Base Bid	\$350,000.00	\$445,359.00
Ded. Alt. #1	\$3,100.00	\$3,467.00
Ded. Alt. #2	\$900.00	\$3,075.00
Ded. Alt. #3	\$3,560.00	\$7,145.00
Ded. Alt. #4	\$2,880.00	\$3,061.00
Ded. Alt. #5	\$3,000.00	\$12,006.00
Ded. Alt. #6	\$5,200.00	\$9,623.00
Add. Alt. #1	\$37,400.00	\$60,000.00
Add. Alt. #2	\$4,700.00	\$6,000.00
Add. Alt. #3	\$3,800.00	\$7,000.00
Add. Alt. #4	\$3,440.00	\$5,000.00
Add. Alt. #5	\$4,415.00	\$40,000.00
Add. Alt. #6	\$3,800.00	\$7,000.00

All bids received exceeded the available construction funding budget for this project, which was \$249,100.00. In addition, Thomsen Landscape failed the Good Faith Effort requirement, which deemed them non-responsive. This makes the apparent lowest base bid \$445,359.00, from CS Legacy Construction, Inc. This bid exceeds the available construction funding budget by nearly \$200,000.00, and the project is therefore not awardable at this time, even with all deductive alternates exercised, and no additive alternates exercised. There is no explanation for the cause of the high bids other than the current bidding climate. As a result, it is recommended that the bids be rejected.

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Bureau of Engineering staff is currently working with Recreation and Parks staff to find additional funding to cover potential funding shortfalls to the project. Also, the Bureau of Engineering staff will make efforts to pro-actively contact potential bidders to try to generate more bidding interest in the project. Therefore, it is further recommended that the project be re-bid in hopes that more competition in bidding will yield lower bid pricing.

The scope of this project will involve many different types of contractors with no particular contracting trade dominating the overall scope of work. The percentage breakdown of work required for each trade is as follows:

• Demolition	3.5%
• Earthwork/Paving	5.5%
• Concrete Construction	6%
• Fencing/Gate	10%
• Masonary Wall	15%
• Electrical	2%
• Site Furnishings	5%
• Play Equipment	15%
• Basketball/Volleyball Court	12%
• Landscaping/Irrigation	23%
• Miscellaneous	<u>3%</u>
Total	100%

Currently, the policy of this Board has been to require that the Prime Contractor perform a minimum of 50% of the value of the base bid. Staff believes that reducing the Prime Contractor minimum participation requirement on this project will help create more competitive bid pricing among the sub-contractors providing bids to the Prime Contractors and will also attract a broader range of different types of Prime Contractors, thus, creating a larger competitive market.

Staff has determined that the subject project will consist of placement of new playground equipment and other accessory structures in the new Lexington Pocket Park. Therefore, the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 3(6) and 11(3) of the City CEQA Guidelines. A revised Notice of Exemption (NOE) was filed with the Los Angeles City Clerk and the Los Angeles County Clerk on January 19, 2006.

The bid package has been approved by the City Attorney's Office. The Council Office is aware of the need to re-bid, and fully supports the proposed project as designed.

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FISCAL IMPACT STATEMENT:

There is no immediate fiscal impact to the Department; however, future operations and maintenance costs will be assessed upon completion of the project.

This report was prepared by Marcelo Martinez, Project Manager, and reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, and Bradley M. Smith, P.E., Chief Deputy City Engineer, BOE.