

APPROVED
MAY 16 2012

REPORT OF GENERAL MANAGER

NO. 12-138

DATE May 16, 2012


BOARD OF RECREATION
AND PARK COMMISSIONERS

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: **SPRING STREET PARK – PHASE II (PRJ20387) (W.O. #E1907464) PROJECT – REVIEW OF BIDS AND AWARD OF CONTRACT**

R. Adams _____ K. Regan _____
H. Fujita _____ *M. Shull *MS*
V. Israel _____ N. Williams _____

Approved _____ Disapproved _____ Withdrawn _____

General Manager

RECOMMENDATIONS:

That the Board:

1. Find Environmental Construction, Inc. (ECI), with a Base Bid of \$1,346,777, to be the lowest responsive and responsible bidder for the Spring Street Park – Phase II (PRJ20387) (W.O. #E1907464) project;
2. Award the contract for the Spring Street Park – Phase II (PRJ20387) (W.O. #E1907464) project, including Additive Alternate No. 1 in the amount of \$34,000, resulting in the total award amount of \$1,380,777, to ECI, all according to the plans and specifications;
3. Authorize the Department’s Chief Accounting Employee to encumber funds in the amount of \$1,380,777 from the following fund and account numbers under the awarding authority of this Board Report; and,

<u>FUND SOURCE</u>	<u>FUND NO./DEPT. NO./ACCT. NO.</u>	<u>ENCUMBRANCE AMOUNT</u>
Quimby Fund	302/89/89460K-SZ	\$1,380,777
TOTAL		\$1,380,777

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

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SUMMARY:

On December 14, 2011, the Board approved the final plans and call for bids for the Spring Street Park – Phase II (PRJ20387) (W.O. #E1907464) project, located at 426 South Spring Street, Los Angeles, California 90013 (Board Report No. 11-334). The construction calls for a new 0.7-acre park with walking paths, landscaping, irrigation, seating, water fountain, art work, security fencing, security lighting, drinking fountain, and site utility connections.

The City Engineer’s estimate was \$1,200,000. One additive alternate was identified, with the scope of work described as follows:

Additive Alternate No. 1:

All work and materials associated with the complete removal of the existing driveway aprons and replacement with new concrete sidewalk, curbs and gutters in the Spring Street right-of-way area, all according to the plans and specifications.

On February 28, 2012, the Board received a total of fourteen (14) bids as follows:

<u>Bidders</u>	<u>Base Bid</u>	<u>Add. Alt. #1</u>
Environmental Construction, Inc.	\$ 1,346,777	\$ 34,000
Simgel Co., Inc.	\$ 1,379,720	\$ 48,000
Ranbay Construction Corporation	\$ 1,474,000	\$ 18,000
General Construction Services, Inc.	\$ 1,582,680	\$ 40,000
Pima Corporation	\$ 1,609,270	\$ 25,000
C.S. Legacy Construction, Inc.	\$ 1,618,400	\$ 24,425
MMC, Inc.	\$ 1,687,101	\$ 1,687,250
Los Angeles Engineering, Inc.	\$ 1,770,000	\$ 30,000
Landshapes	\$ 1,789,000	\$ 46,400
Anchor Construction & Engineering, Inc.	\$ 1,850,000	\$ 30,000
California Building Evaluation and Construction Inc.	\$ 1,855,000	\$ 50,000
Mallcraft, Inc.	\$ 1,856,000	\$ 45,000
Excel Paving Co.	\$ 1,959,070	\$ 29,100
AVA Builders, Inc.	\$ 2,068,000	\$ 37,615

The bid documents stated that the determination of the lowest bidder would be based on the Base Bid amount without the consideration of the Additive Alternate. ECI submitted the apparent lowest Base Bid as indicated above.

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The project is subject to the City's new 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. ECI has successfully posted all the required BIP outreach documentation on the Los Angeles Business Virtual Assistance 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 ECI, and determined that ECI has passed all six 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.

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 in the ECI's bid on the Schedule "A", ECI, the prime contractor, will perform 72% of the Base Bid amount, which exceeds the prime contractor's self-performance amount requirement of 20% as specified in the bid documents.

On February 29, 2012, Ranbay Construction Corporation (Ranbay), who submitted the apparent third lowest bid, sent an e-mail to the Board Office stating that neither of the two apparent lowest bidders (ECI and Simgel Co., Inc.) listed a factory-licensed installer to perform the "Lithocrete" work on the Schedule "A" in their bids. It is noted that the project's plans and specifications specified "Lithocrete" or an "approved equal" product for the concrete paving of the walking paths. The contractor may propose an alternative product in lieu of "Lithocrete" during construction, subject to the approval by the City. If the alternative product proposed by the contractor is rejected by the City, the contractor is required to provide "Lithocrete" product at no additional cost to the City.

The City Attorney and staff have reviewed the bid submitted by ECI and found it to be in order. 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 met by the bidder. Staff reviewed the responsiveness and work performance of ECI on past Department projects and found them satisfactory.

Based on the above information, ECI is the lowest responsive and responsible bidder. There are sufficient funds to award the contract including Additive Alternate No. 1; it is therefore recommended that the Board award the Base Bid (\$1,346,777) plus Additive Alternate No. 1 (\$34,000), for a total award amount of \$1,380,777.

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The project, including the Phase II work, has been previously declared exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 3(6, 9), Class 4(1, 3), and Class 11(6) of the City CEQA Guidelines (Board Report No. 11-217). The Additive Alternative has additionally been determined to be a Class 1(3) categorical exemption for the repair and/or minor alterations of existing streets and sidewalks.

FISCAL IMPACT STATEMENT:

A budget request of \$25,000 a year to maintain this facility will be requested in the next budget cycle, which will include funding for one part-time staff member, materials, and supplies. This request will also provide four hours of maintenance per day, seven days a week, year round. If the funding is not granted, this facility will be included in the existing Metro Region routes which will result in reduction of core function on the existing route.

This report was prepared by Paul Tseng, Project Manager, Architectural Division, Bureau of Engineering (BOE). Reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, BOE; Deborah Weintraub, AIA, Chief Deputy City Engineer, BOE; and Michael A. Shull, Superintendent, Planning, Construction and Maintenance Division, Department of Recreation and Parks.

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

Bidder: Environmental Construction, Inc. Bid Date: 02/28/12

Project Name: SPRING STREET PARK - PHASE II W.O. #: E1907464

Indicator	Required Documentation	Description of Submitted or Missing Documentation	Credit
3 Attend 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.		✓
4 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 % =	72%
MBE%= 0%		WBE%= 0%	SBE%= 0%
EBE%= 0%		DVBE%= 0%	OBE%= 28%

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