

**BOARD REPORT**

NO. 18-141

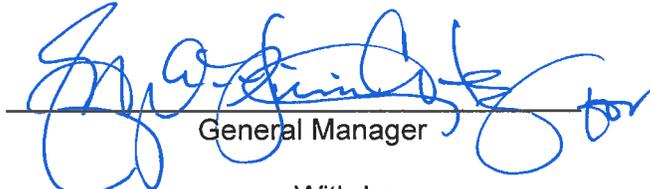
DATE July 11, 2018

C.D. 8

**BOARD OF RECREATION AND PARK COMMISSIONERS**

SUBJECT: VAN NESS RECREATION CENTER - POOL AND BATHHOUSE REPLACEMENT (PRJ20330) (W.O. #E170392F) PROJECT - REVIEW OF BIDS AND AWARD OF CONTRACT

AP Diaz	_____	V. Israel	_____
*R. Barajas	<u>RB</u>	S. Piña-Cortez	_____
H. Fujita	_____	N. Williams	_____



\_\_\_\_\_

General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

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RECOMMENDATIONS

1. Pursuant to the Los Angeles City Charter Section 371(c), Administrative Code Section 10.15(c), and Paragraph 3 on page 3 of the Instructions to Bidders, waive, as an informality, the late submittal by Metro Builders & Engineering Group, Ltd. (Metro Builders), of the forms contained in pages GR-S3, GR-S4, and GR-S7 of the Supplemental General Requirements for the Van Ness Recreation Center - Pool and Bathhouse Replacement (PRJ20330) (W.O. #E170392F) project (Project), as indicated below:
  - A. Waive the requirement for Metro Builders that the Prime Contractor's Minimum Qualifications – Experience with Public Recreation Facilities Construction form (Supplementary General Requirements pages GR-S3 and GR-S4) must have been submitted with the bid, and accept said form, which was submitted by Metro Builders and received at 4:18 p.m., on May 8, 2018, the same day as the bids were due;
  - B. Waive the requirement for Metro Builders that the Prime Contractor shall have completed three (3) public recreation facilities of Five Million Dollars (\$5,000,000.000) or greater each for government agencies in the last six (6) years, and find that the Los Angeles Zoo Rainforest of the Americas project, the Los Angeles Bureau of Sanitation Air Treatment Facility project, and the Port of Los Angeles Berth 142 Crane Maintenance Building project completed by Metro Builders collectively satisfy the intent of the Prime Contractor's minimum qualifications and experience requirements, as more fully set forth in this Report; and,
  - C. Waive the requirement for Metro Builders that the Storm Water Pollution Prevention Plan (SWPPP) information form (Supplementary General

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Requirements page GR-S7) must have been submitted with the bid, and accept the late submittal of the SWPPP information form that was submitted by Metro Builders and received at 4:18 p.m., on May 8, 2018, the same day the bids were due.

2. Find Metro Builders, with a bid of Eight Million, Eight Hundred Seventy-Two Thousand, Two Dollars (\$8,872,002.00), to be the lowest responsive and responsible bidder for the Project;
3. Award the construction contract to Metro Builders, for a total award amount of Eight Million, Eight Hundred Seventy-Two Thousand, Two Dollars (\$8,872,002.00), all according to the plans and specifications previously approved by the Board of Recreation and Park Commissioners (Board) on April 4, 2018 (Report No. 18-056);
4. Authorize the Department of Recreation and Park's (RAP) Chief Accounting Employee to encumber funds in the amount of Eight Million, Eight Hundred Seventy-Two Thousand, Two Dollars (\$8,872,002.00) from the following fund and account numbers, under the awarding authority of this Report;

<u>FUNDING SOURCE</u>	<u>FUND/DEPT./ACCT NO.</u>	<u>AVAILABLE AMOUNT</u>
RAP Funds	205/88/88LMC2	\$ 1,000,000.00
Proposition K Specified (Pool)		
Prop K - YR 2008/09	43K/10/10E586	\$ 28,297.00
Prop K - YR 2017/18	43K/10/10PIBE	\$ 316,906.00
Prop K - YR 2017/18	43K/10/10PPBH	\$ 3,721,645.00
Proposition K Competitive (Bathhouse)		
Prop K - YR 2016/17	43K/10/10NPFE	\$ 731,301.00
Prop K - YR 2017/18	43K/10/10PPAF	\$ 3,073,853.00
TOTAL FUNDING		\$ 8,872,002.00

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

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SUMMARY

On April 4, 2018, Board approved the final plans and called for bids (Board Report No. 18-056) for the Project, located at 5720 2<sup>nd</sup> Avenue, Los Angeles, California 90043 in the South Los Angeles community of the City. The plans and specifications were prepared by the Department of Public Works, Bureau of Engineering (BOE), Architectural Division, in conjunction with the design consultant, John Friedman Alice Kimm Architects.

The proposed scope of work for this Project includes the following:

1. Demolition of the existing 7,500 square-foot swimming pool and pool deck
2. Demolition of the existing 6,000 square-foot bathhouse
3. Construction of a new 9,000 square-foot lap pool and 7,500 square-foot pool deck
4. Construction of a new 4,930 square-foot bathhouse/pump house
5. Construction of a new 750 square-foot splash pad
6. Construction of new 10-foot high pool perimeter fencing
7. Landscape improvements including irrigation and tree planting
8. Replacement of site utility connections serving the pool and bathhouse
9. Installation of four (4) stadium light poles
10. Installation of security light poles throughout the pool and bathhouse area

The City Engineer's estimated cost of the Project was Eight Million Dollars (\$8,000,000.00). On May 8, 2018, at 10:00 a.m., the Board received a total of two (2) bids as follows:

<u>Bidders</u>	<u>Bid Amount</u>
Metro Builders & Engineering Group, Ltd.	\$ 8,872,002.00
USS Cal Builders, Inc.	\$ 10,885,000.00

Metro Builders was the apparent lowest bidder. At the time of bid opening, RAP Board Office staff determined that the required Supplementary General Requirements forms (pages GR-S3, GR-S4, and GR-S7) were not contained in the bid submitted by Metro Builders. However, Metro Builders submitted the aforementioned forms within eight (8) hours of the bid opening. It is noted that Metro Builders included in its bid package six (6) pages of the "Completed Projects List – Last 5 Years," which listed the Los Angeles Zoo Rainforest of the Americas project, the Los Angeles Bureau of Sanitation Air Treatment Facility project, and the Port of Los Angeles Berth 142 Crane Maintenance Building project. These three (3) projects were listed in the form that was submitted after bid opening (pages GR-S3 and GR-S4).

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The Supplementary General Requirements (pages GR-S1 through GR-S4) required the Prime Contractor to have completed at least three (3) public recreation facilities for government agencies in the last six (6) years, each of Five Million Dollars (\$5,000,000.00) or greater, and that the qualified facilities must be new construction and currently in operation. Metro Builders listed the following projects in the Prime Contractor's minimum qualifications form.

1. The Los Angeles Zoo Rainforest of the Americas
2. The Los Angeles Bureau of Sanitation Air Treatment Facility
3. The Port of Los Angeles Berth 142 Crane Maintenance Building

The scope of the Los Angeles Zoo Rainforest of the Americas project included the construction of several buildings, two (2) large exhibit pools with animal life support systems, hillside grading, and retaining walls. Completed in 2015 at the construction cost of approximately Sixteen Million, Nine Hundred Thousand Dollars (\$16,900,000.00), staff considers it substantially more complex than the Project.

The Bureau of Sanitation Air Treatment Facility project involved the construction of a heavy-duty sewer pump station, deep trenching, excavation, and shoring for sewer trunk line installation. Completed in 2015 at the construction cost of approximately Seventeen Million, Nine Hundred Thousand Dollars (\$17,900,000.00), staff considers it technically more difficult than the Project.

The Port of Los Angeles Berth 142 Crane Maintenance Building project involved the construction of a steel-framed building with a deep pile foundation system. Completed in 2017 at the construction cost of approximately Six Million, Five Hundred Thousand Dollars (\$6,500,000.00), staff considers it as challenging as, if not more than, the Project.

Based on its analysis, staff believes that, although two of the three projects discussed above are not public recreational facilities, collectively the three (3) projects meet the intent of the Prime Contractor's minimum qualification and experience requirements. BOE is confident that Metro Builders has demonstrated its ability to handle the construction of the Project.

Though submitted after the bid deadline, staff has further reviewed the form submitted by Metro Builders for the qualified developer and qualified practitioner to perform SWPPP work for the Project (page GR-S7) and found the information provided by Metro Builders meets the SWPPP requirements.

Pursuant to City Charter Section 371(c), Administrative Code Section 10.15(c), and Paragraph 3 on page 3 of the Instructions to Bidders, the City has the right to waive any informality in the bid when to do so would be to the advantage of the City. Staff recommends that the Board waive, as an informality, Metro Builders' late submittal of the required forms (pages GR-S3, GR-S4, and GR-S7). There is no evidence that Metro Builders gained an unfair advantage over the other bidder by submitting the forms after bid opening. The late submittal of the forms does not affect the bid price and outcome, nor does it provide Metro Builders with any competitive advantage. Staff also recommends waiving the Prime Contractor's Minimum Requirements as stated in the Instruction to Bidders for the Project as it applies to Metro Builders. Staff believes Metro Builders did not gain an unfair or competitive advantage over the other bidder or other

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potential bidders by not meeting the requirement because staff believes that Metro Builder's experience with its three stated (3) projects meet the intent of the Prime Contractor's minimum qualification and experience requirements. It would be to the City's advantage to award the construction contract to Metro Builders who submitted the lowest bid of Eight Million, Eight Hundred Seventy-Two Thousand, Two Dollars (\$8,872,002.00).

The funds available to award the contract for the Project are in the following accounts:

<u>FUNDING SOURCE</u>	<u>FUND/DEPT./ACCT NO.</u>	<u>AVAILABLE AMOUNT</u>
RAP Funds	205/88/88LMC2	\$ 1,000,000.00
Proposition K Specified (Pool)		
Prop K - YR 2008/09	43K/10/10E586	\$ 28,297.00
Prop K - YR 2017/18	43K/10/10PIBE	\$ 316,906.00
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TOTAL FUNDING		\$ 8,872,002.00

BUSINESS INCLUSION PROGRAM (BIP)

The Project is subject to the City's Business Inclusion Program (BIP), in compliance with the Mayor's Directive No. 14, which was adopted by the Board on February 15, 2012 (Report No. 12-050), and which replaces the former Minority Business Enterprise, Women Business Enterprise, and Other Business Enterprise (MBE/WBE/OBE) Good Faith Effort Subcontractor Outreach Program. Metro Builders has successfully posted all the required BIP outreach documentation on the Los Angeles Business Virtual Assistance Network (LABAVN) that demonstrate 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 Metro Builders, and has determined that the bidder 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 said package is attached to this Report.

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

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Staff has reviewed the bid submitted by Metro Builders and, other than the informalities discussed in this Report, found it to be in order. Staff recommends that the Board find Metro Builders to be the lowest responsive and responsible bidder.

### TREES AND SHADE

The Van Ness Recreation Center has many established trees surrounding the existing bathhouse and pool. Of the existing thirty-five (35) trees identified on site, four (4) are proposed to be removed to make room for the new water slide and splash pad construction. A total of twenty four (24) new trees will be planted as part of the Project. The four (4) trees to be removed consist of one (1) Evergreen Ash tree, one (1) Acacia tree, and two (2) Desert Willows tree, and have a total canopy cover of 2,301 square feet. The proposed twenty-four (24) new trees include five (5) Geijera (Geijera Parviflora) trees, three (3) Jacaranda (Jacaranda Mimosifolia) trees, two (2) Weeping Bottle Brush (Callistemon Vaminals) trees, nine (9) Chinese Pistache (Pistacia Chinensis) trees, and five (5) Tipu (Tipuana Tipu) trees, all of which will be planted in and around the pool building and splash pad areas. At the time of planting, the new trees should provide approximately 409 square feet of canopy cover. Upon full maturity, the new trees are expected to provide approximately 4,533 square feet of canopy cover. Four (4) shade canopies on the west side of the pool perimeter fence should provide approximately 640 square feet of shade. A series of seven (7) shade canopies on the east side of the pool perimeter fence should provide approximately 1,120 square feet of additional shade.

### ENVIRONMENTAL IMPACT STATEMENT

The proposed Project has been previously evaluated and approved in compliance with the California Environmental Quality Act (CEQA) (Report No. 18-056). A Notice of Exemption (NOE) was filed with the Los Angeles County Clerk on May 2, 2018. The scope of the Project and the environmental setting has not substantially changed since the CEQA determination, with no additional environmental impacts or an increase in the intensity of the projected impacts which might have required a new or modified assessment. Therefore, no additional CEQA documentation is required.

### FISCAL IMPACT STATEMENT

The proposed Project is fully funded by a combination of aforementioned funding sources. There is no immediate fiscal impact to RAP's General Fund. However, operations and maintenance costs will be evaluated and included in future RAP budget requests.

This Report was prepared by Alex Ngo, Project Manager, BOE Architectural Division, and reviewed by Neil Drucker, Proposition K Program Manager; Mahmood Karimzadeh, Principal Architect, BOE Architectural Division; Deborah Weintraub, Chief Deputy City Engineer, BOE; and Cathie Santo Domingo, Superintendent, Planning, Construction, and Maintenance Branch, Department of Recreation and Parks.

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LIST OF ATTACHMENT

BIP Evaluation Result for Metro Builders

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

Bidder: Metro Builders Engineers Group Ltd. Bid Date: 05/08/2018

Project Name: Van Ness Recreation Center – Pool and Bathhouse Replacement W.O. #: E170392F

Indicator	Required Documentation	Description of Submitted or Missing Documentation	Credit ✓						
<b>2 Pre-Bid Meeting</b>	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.		✓						
<b>3 Work Areas</b>	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)	✓						
<b>4 Written Notice to Sub-contractors</b>	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.		✓						
<b>5 Plans, specifications and requirements</b>	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)	✓						
<b>6 Negotiate in Good Faith</b>	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.		✓						
<b>7 Bonds</b>	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 % = 65.92%</b>									
<table style="width: 100%; border: none;"> <tr> <td style="width: 25%; border: none;">MBE%= <u>0%</u></td> <td style="width: 25%; border: none;">WBE%= <u>0%</u></td> <td style="width: 25%; border: none;">SBE%= <u>0%</u></td> <td style="width: 25%; border: none;">EBE%= <u>0%</u></td> <td style="width: 25%; border: none;">DVBE%= <u>0%</u></td> <td style="width: 25%; border: none;">OBE%= <u>34.07%</u></td> </tr> </table>				MBE%= <u>0%</u>	WBE%= <u>0%</u>	SBE%= <u>0%</u>	EBE%= <u>0%</u>	DVBE%= <u>0%</u>	OBE%= <u>34.07%</u>
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**RESPONSIVE**