

APPROVED

REPORT OF GENERAL MANAGER

JAN 04 2006

NO. 06-03

DATE January 4, 2006

BOARD OF RECREATION
AND PARK COMMISSIONERS

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EVERGREEN RECREATION CENTER - CHILDCARE CENTER
(W.O #E170354F) - REJECTION OF BIDS AND DIRECTION TO RE-BID

J. Combs	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
B. Jensen	_____	*M. Shull	<i>[Signature]</i>

[Signature: Robert H. Jensen]
 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board:

1. Reject all bids received on Tuesday, October 11, 2005, for the Evergreen Recreation Center - Childcare Center (W.O. #E170354F);
2. Approve final plans and specifications to re-bid the Evergreen Recreation Center -Childcare Center Project (W.O. #E170354F); and
3. Advertise the date for receipt of bids as Tuesday, March 7, 2006 at 3:00P.M. in the Board Office.

SUMMARY:

On August 9, 2005, the Board approved final plans and called for bids for the Evergreen Recreation Center - Childcare Center (W.O. #E170354F), located at 2844 E. 2nd Street. The work included the construction of a new 4,150 square foot childcare center with a new children's playground area, new parking lot, site landscaping and new fences/gates. The plans also included required earthwork to provide a certified building pad and required methane mitigation system.

On Tuesday, October 11, 2005, the following Bids were received:

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<u>Bidder</u>	<u>Base Bid</u>	<u>Deductive Alternate No. 1</u>	<u>Deductive Alternate No. 2</u>	<u>Deductive Alternate No. 3</u>
PacWest Construction	\$1,879,000.00	\$18,500.00	\$22,300.00	\$73,600.00
Tobo Construction, Inc.	\$1,999,500.00	\$45,000.00	\$39,000.00	\$56,000.00
D A B Construction, Inc.	\$2,525,000.00	\$48,000.00	\$62,000.00	\$45,000.00
Shefir Construction, Inc.	\$2,690,000.00	\$19,500.00	\$14,000.00	\$80,738.00
United Contractors Company, Inc.	\$2,764,000.00	\$57,000.00	\$20,000.00	\$95,000.00
Gonzales Construction, Inc.	\$2,787,700.00	\$45,179.00	\$37,000.00	\$66,144.00
DELMAC Construction, Inc.	\$2,855,000.00	\$33,000.00	\$10,000.00	\$50,000.00
Morillo Construction, Inc.	\$3,164,000.00	\$65,000.00	\$5,000.00	\$95,000.00

The bid from PacWest Construction, was to be deemed non-responsive as they did not comply with the City's MBE/WBE/OBE Good Faith Effort requirements. Tobo Construction, Inc., did not submit the required MBE/WBE/OBE Good Faith Effort documentation. This makes the apparent lowest responsive and responsible bidder to be D A B Construction, Inc., with a base bid in the amount of \$2,525,000.00. The lowest responsive bid significantly exceeds the available construction funding budget, which is \$1,600,000.00, making it necessary to reject all bids at this time.

Additional funds from Quimby fees in the amount of \$328,613.48 were added to the project funding through Board Report No. 05-326, approved by the Board at the December 14, 2005 meeting. Although the construction cost estimate for this project was \$1,500,000.00, the Bureau of Engineering actually budgeted \$1,600,000.00 for the base construction cost. With the addition of the Quimby funds, the available construction budget is now approximately \$1,900,000.00. As the two low bids previously received were in the range of this number, staff believes that similar bids can be received for this project without any scope modifications to the plans. Three deductive alternates, (1) new playground area, (2) outdoor concrete patio area, and (3) site landscaping and irrigations, are also included in the re-bid package and can be exercised if the bids received exceed the \$1,900,000.00 construction budget. Beyond the exclusion of the work specified in the deductive alternates, there are no significant modifications that can be made to the plans to lower the construction cost. Upon receipt of the new bids, staff will work closely with the two lowest bidders to ensure the proper submission of all MBE/WBE/OBE Good Faith Effort documentation so that the previous scenario will not be repeated.

Submitted for re-advertisement are final plans and specifications for the Evergreen Childcare Center, located at 2844 East 2nd Street. The project is a Prop K specified project funded in Year 1 (Fiscal Year 97/98). The Department's design consultant, Miralles Associates, Inc. prepared plans for this project, and their estimate for the construction cost is \$1,500,000.00. As explained above, it is anticipated that the low bid will be high than the estimate for this re-bidding process.

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Current available funding for construction is available for the proposed improvements in the following accounts:

	<u>FUND</u>	<u>ACCOUNT NO.</u>	<u>AMOUNT</u>
PROP K01	43K	K027	\$ 764,470.00
PROP K Interest	43K	T027	\$ 382,995.00
CFAF 02/03	100	V731	\$ 173,164.00
PROP 12 MH	205	014M	\$ 13,800.00
Prop AI	205	VH08	\$ 246,538.00
Quimby	460K	EF	\$ 328,613.00

In compliance with the California Environmental Quality Act (CEQA), staff has determined that the proposed improvements will not have a significant impact on the environment. This project has been determined to be Categorical Exempt per City CEQA guide lines Article VII, Section 1c (new construction of small structures) and 1k (accessory structures). A Notice of Exemption was filed with the Los Angeles City Clerk and County Clerk's Office on June 24, 2002 and June 25, 2002 respectively (Board Report No. 05-326).

The bid package has been approved by the City Attorney's Office. Council District No.14 has been informed of and supports this action.

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 Ray Araujo, Project Manager, and reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program; and by Bradley M. Smith, P.E., and Bureau of Engineering.