

REPORT OF GENERAL MANAGER

NO. 01-139

DATE May 2, 2001

C.D. 06

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: VENICE BEACH - DAMSON OIL FACILITY RESTORATION (#1001C) -  
REVIEW OF BIDS AND AWARD OF CONSTRUCTION CONTRACT

J. Combs \_\_\_\_\_  
A. Corrales \_\_\_\_\_  
J. Duggan JD  
J. Kolb \_\_\_\_\_

H. Fujita \_\_\_\_\_  
\*M. Tamuri MT  
M. Matthews \_\_\_\_\_

Eileen Spunberg  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

It is recommended that the Board:

1. Declare the bid of Lee Construction Co., non-responsive due to a clerical error.
2. Accept the base bid of California Environmental Geologist and Engineers, Inc. in the amount of \$238,500.00, as the lowest responsible bidder;
3. Authorize the Chief Accounting Employee to encumber funds in the amount of \$238,500.00 from the following fund and account numbers under the awarding authority of this Board Report; and,

FUND  
302

ACCOUNT NO.  
9120

4. Request the City Attorney prepare a contract which includes the recommendations outlined in the body of this report regarding the Additive Alternates, after which the President and Secretary be authorized to execute same after the appropriate signatures by the other parties thereto and approval as to form by the City Attorney have been obtained thereon.

SUMMARY:

On April 10, 2001, the following bids were received for Venice Beach - Damson Oil Facility Restoration (#1001C):

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Designer

Estimate

RRM Design Group.EKI

\$201,000.00

<u>BIDDERS</u>	<u>BASE BID</u>	<u>ADD. ALT. 1</u>	<u>ADD. ALT. 2</u>	<u>ADD. ALT. 3</u>	<u>ADD. ALT. 4</u>
CA. Environmental	\$238,500.00	\$54.00/ton	\$33,075.00/ft.	\$37.95/cu. ft.	\$4.00/cu. ft.
Interior Demolition	\$400,000.00	\$98.50/ton	\$35,354.00/ft	\$36.00/cu. ft.	\$7.00/cu. ft.
Lee Construction	\$215,640.00	\$27.95/ton	\$57,000.00/ft.	\$56.00/cu. ft.	\$8.00/cu.ft.

The project scope provides for demolition of all existing improvements on the Damon Oil Site remaining after the company went bankrupt in the early 1990's. The demolition includes the perimeter wall, two (2) small buildings, concrete pads, vaults, wells and related piping. The site will be restored to sand with several monitoring wells left in place on a temporary basis. Eventually part of the site will include a skate venue and bike path.

In order to allow flexibility in the completion of the project, given the somewhat unknown nature of the subsurface site remediation, four (4) Additive Alternates were included in the bid proposal which are not being selected at this time. However, if the site reveals conditions requiring additional removals, additional offsite disposal or increased import of clean beach sand, the Department will want the ability to use the Additive Alternates during the demolition. In order to add the alternates to the contract price at a later date the contract must address the intent of the Department to include the four (4) Additive Alternates at the bid proposal prices during the construction of the project if there is need. This project must also be substantially complete, in accordance with the coastal development permit before Memorial Day and the Additive Alternates allow for additions made to be approved without lengthy negotiations regarding change order costs.

There are sufficient funds available to award the contract for the bid of Lee Construction Co. for this project in the following account:

<u>FUND</u>	<u>ACCOUNT NO.</u>
302	9120

The City Attorney has reviewed the bids and found them to be in order. Lee Construction Co. submitted a letter to withdraw their bid due to a clerical error in the calculation of one of the additive alternates. Since the additive alternates are being included in the contract language and may be required during the construction of the project it is advisable to acknowledge the clerical error and allow the company to withdraw their bid. Time is of the essence in completing the project and change order work must proceed in a timely fashion which is the purpose of the additive alternates. Therefore California Environmental Geologist and Engineers Inc. is lowest responsible bidder.

Staff has reviewed the outreach effort made by California Environmental Geologist and Engineers, Inc. and based on the documents submitted, has determined that a "good faith" effort has been made. The contractor obtained a MBE/WBE participation of 22% and satisfied 91 of the 100 point requirements outlined by the Board's Outreach Program. The Outreach Document package is on file in the Board Office and synopsis of said package is attached.

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Staff reviewed the responsiveness and work performance of California Environmental Geologist and Engineers, Inc. on past Department projects and found them to be satisfactory. 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 complied with.

Prepared by Kathleen Chan, Project Manager.

# GUIDELINES FOR EVALUATION OF GOOD FAITH EFFORT CHECKLIST

**Bidder:** California Environmental Geologist & Engineers Inc.    **Bid Date:** April 10, 2001

**Project Name:** Venice Beach - Damson Oil Facility Restoration (#1001C)

Indicator	Required Documentation	Description of Submitted or Missing Documentation	Points	
2 Pre-Bid Meeting	a) Attend pre-bid meeting and be listed on the attendance sheet; or b) Submit a letter prior to the pre-bid meeting either by fax to (213) 617-0439, or by mail to the Recreation and Parks Dept., Planning and Development Branch, 200 N. Main Street, Room 709, Los Angeles, California 90012.		10	10
3 Work Areas	Proof of this must be demonstrated in either Indicator 4 or 5.		13	13
4 Ad	A copy of the advertisement or a proof of publication statement or other verification which confirms the date the advertisement was published. The advertisement must be specific to the project, not generic, and may not be a planholder advertisement provided by the publication. It should include the City of Los Angeles project name, name of bidder, areas of work available for subcontracting, and a contact person's name and telephone number, information on the availability of plans and specifications and the bidder's policy concerning assistance to subcontractors in obtaining bonds, lines of credit and/or insurance. Consideration will be given to the wording of the advertisement to ensure that it did not exclude or seriously limit the number of potential respondents.		9	0
5 Letters to Potential Subs	A copy of each letter sent to available MBEs, WBEs and OBEs for each item of work to be performed. If there is only one master notification, then a copy of the letter along with a listing of all recipients will suffice. Faxed copies must include the fax transmittal confirmation slip showing the date and time of transmission. Mailed letters must include copies of the metered envelope or certified mail receipts. Letters must contain areas of work to be subcontracted, City of Los Angeles project name, name of the bidder, and contact person's name, address, and telephone number.		10	10
6 Follow-up to Letters	A copy of telephone logs. These logs must include the name of the company called, telephone number, contact person, who did the calling, time, date, and the result of the conversation. Bidder must follow-up with all subcontractors to whom they sent letters.		10	10
7 Plans	Include in Indicator 4 or 5, information detailing how, where and when the bidder will make the required information available to interested subcontractors.		5	5
8 Outreach Letters	A copy of each letter sent to outreach agencies requesting assistance in recruiting MBEs, WBEs and OBEs. Faxed copies must include the fax transmittal confirmation slip showing the date and time of transmission. Mailed letters must include copies of the metered envelopes or certified mail receipts. Letters must contain areas of work to be subcontracted, City of Los Angeles project name, name of the bidder, and contact person's name, address, and telephone number.		10	10
9 Negotiate in Good Faith	a) Copies of all MBE/WBE/OBE bids or quotes received; and b) Summary sheet organized by work area, listing bids received and the subcontractor selected for that work area. If the bidder elects to perform a listed work area with its own forces, they must include a bid that shows their own costs for the work.		26	26
10 Bonds	Include in Indicator 4 or 5, information about the bidder's efforts to assist with bonds, lines of credit and insurance.		7	7
<b>TOTAL POINTS ACHIEVED</b>				<b>91</b>

**MBE/WBE % ACHIEVED:** 22%