



AGENDA REPORT

Meeting Date: December 1, 2009

Item Number: G-11

To: Honorable Mayor & City Council

From: Charles Ackerman, Project Administrator

Subject: RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS AWARDING A CONTRACT TO CORNERSTONE CONSTRUCTION GROUP, INC. FOR THE LA CIENEGA TENNIS CENTER LOCKER ROOM RENOVATION AND APPROVING PLANS AND SPECIFICATIONS THEREFOR; AND
APPROVE A PURCHASE ORDER IN THE AMOUNT OF \$364,742 TO CORNERSTONE CONSTRUCTION GROUP, INC. FOR THE CONTRACT WORK

Attachments:

1. Resolution
2. Form of Contract
3. Categorical Exemption

RECOMMENDATION

Staff recommends that the City Council adopt the resolution awarding a contract to Cornerstone Construction Group, Inc. for the La Cienega Tennis Center Locker Room Renovation (Project) in the amount of \$329,742; approval of the construction contingency of \$35,000; approval of the plans and specifications for the Project, dated October 2, 2009, which are adopted and approved with respect to design criteria; and approval of the purchase order in the amount of \$364,742.

INTRODUCTION

The La Cienega Tennis Center serves as both the City's and the Westside's premier public tennis facility. Consistent with that intent and image, staff wishes to make an upgrade and investment into the facility to give it more of a "Club" feel and distinguish it from other public facilities. No significant enhancements or renovations have occurred to the facilities in their nearly 20 years of existence and heavy public use.

As part of the fiscal year 08-09 budget process, a capital project was submitted by the Community Services Department and approved for the renovation of the restroom and locker room at La Cienega Tennis Center. On September 1, 2009, staff presented the

project to the City Council, and received direction to proceed to initiate the public bidding process.

DISCUSSION

The scope of the renovation includes separation of the public restroom and locker room facilities in order to supply greater security for patrons of the tennis facility via key pad entrance. The renovation will provide for new plumbing, tile floors and walls in wet locations, solid material counter tops, energy efficient lighting fixtures, waterless urinals, low-flow toilets and sinks that are sensor activated to reduce water wasting; and new surfaces that are easier to clean, are mold and mildew resistant, and provide for a healthier environment for our patrons.

The Albert Group Architects, in consultation with Hirsch and Associates, Inc. who originally designed the facility, were engaged to design and prepare the construction plans and specifications for the project.

The bid documents requested quotations for the base bid and compensatory delay. The basis for selection was listed as the sum of the base bid and twenty days of compensatory delay. The base bid scope of work includes the demolition, new wall construction, doors, floor finishes, lighting, and ceilings; and includes electrical, mechanical, plumbing, fire sprinklers, fire alarm, cabinets, and woodwork at the second floor of the facility.

Twenty-two firms attended the mandatory job walk and obtained bid documents for this project. The project was advertised in the local Beverly Hills newspapers, and construction trade publications, including the McGraw-Hill Construction Information Group (Dodge Report).

On November 4, 2009, ten bids were received as follows:

Bidder's Name	Lump Sum Base Bid	Delay Compensation	Total Bid Amount
D'Escoto West	\$239,943	\$2,000	\$241,943
Ranbay Construction	\$289,868	\$4,000	\$293,868
Cornerstone Construction	\$329,742	\$8,800	\$338,542
Caltech Corporation	\$342,476	\$0	\$342,476
ABEAM Construction	\$341,800	\$5,000	\$346,800
SBS Corporation	\$367,505	\$400	\$367,905
Tsuchiya Construction	\$364,730	\$12,653	\$377,383
Tek-Up Construction	\$379,400	\$2,400	\$381,800
MG Construction	\$403,453	\$0	\$403,453
Omari Construction	\$447,620	\$20	\$447,640

The bid documents include the following language:

"SPECIFIC QUALIFICATIONS Bidders shall have the following experience. City shall reject such bids that fail to demonstrate such experience as non-responsive. Bidders shall have project experience in general construction of public facilities, such as governmental, municipal or university facilities that are comparable to the work specified by this bid

package. City shall determine, in its sole discretion, what constitutes comparable projects. **Bidders' failure to meet the minimum specific qualifications required herein and accurately represent bidders past project experience will render the bid non-responsive and are grounds for rejection by the City Council.**

7. Within the last five years, list at least three (3) general construction projects each exceeding \$500,000 (original bid amount) your organization has completed involving public facilities, which include similar trade categories. On a separate sheet, provide the following project information for the projects listed (it is bidder's sole responsibility to provide all information requested below including current contact information to substantiate project data)"

The apparent low bidder, D'Escoto West, Inc., did not provide evidence of at least three completed projects that meet the minimum dollar value specified in the Specific Qualifications. The second lowest bidder, Ranbay Construction Corporation failed to provide evidence of three completed projects within the specified timeframe in the Specific Qualifications. Thus, staff, in consultation with the City Attorney's office, recommends that the City Council find that D'Escoto West, Inc. bid and the Ranbay Construction bid are non-responsive and be rejected as they did not list three completed projects each exceeding \$500,000 they have performed in the last five years.

The bid of the third lowest bidder, Cornerstone Construction Group, Inc. (Cornerstone) was reviewed by staff and found to be responsive to the bid requirements, and to the qualifications and experience requirements. As reported by the California State Contractors License Board, their license is current and in good standing.

Staff recommends acceptance of Cornerstone's Base Bid for the contract amount of \$329,742. A contingency of \$35,000 is recommended for changes due to unforeseen conditions to complete the work.

The contract amount of \$329,742 is approximately 20% higher than the consultant's pre-bid estimate of \$280,000 for the work. In consideration of the contract amount exceeding the estimate, staff further recommends that the design team and contractor assist in value engineering the project to reduce the cost. For example, cost saving alternatives in certain specified materials, such as the ceramic floor tile can be considered without jeopardizing the quality and intent of the renovation.

The bid documents specify a total 160 calendar day completion period for the work, resulting in a contractual completion date in May 2010.

The Department of Community Development has reviewed the project for environmental impact and concluded that the project qualifies for a categorical exemption under the procedures adopted by the City of Beverly Hills, and no further environmental assessment is necessary.

FISCAL IMPACT

Funding for this contract work is available in the FY 09-10 Capital Improvement Program (CIP) budget in two projects as follows:

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- \$294,742 from the Tennis Courts & Site Enhancements, project #0483
- \$70,000 from the La Cienega Park Facilities Renovation, project #0343



Scott G. Miller
Finance Approval



David D. Gustavson *Amv*
Approved By

Attachment 1

Resolution

RESOLUTION 09-R-

RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS AWARING A CONTRACT TO CORNERSTONE CONSTRUCTION GROUP, INC. FOR THE LA CIENEGA TENNIS CENTER LOCKER ROOM RENOVATION AND APPROVING PLANS AND SPECIFICATIONS THEREFOR

The Council of the City of Beverly Hills does hereby resolve as follows:

Section 1. The plans and specifications for the La Cienega Tennis Center Locker Room Renovation, dated October 2, 2009, ("Project") copies of which are on file in the Public Works & Transportation Department, are hereby adopted and approved with respect to design criteria.

Section 2. The City invited bids for the Project and ten bids were received. The lowest bid submitted by D'Escoto West, Inc. is non-responsive because it failed to meet the experience qualifications by failing to provide evidence of at least three (3) comparable construction projects D'Escoto West, Inc. has completed in the last five-year period which demonstrates its capability to perform the work required by the bid. The second lowest bid submitted by Ranbay Construction Corporation is non-responsive because it failed to meet the experience qualifications by failing to provide evidence of at least three (3) comparable construction projects Ranbay Construction Corporation has completed in the last five-year period which demonstrates its capability to perform the work required by the bid. Therefore, the City Council finds that the lowest responsive bid was submitted by Cornerstone Construction Group Inc.

Section 3. In accordance with Beverly Hills Municipal Code Section 3-3.104 (d) (7), the City Council shall award the bid to the lowest responsible bidder.

Section 4. Upon reviewing the bids submitted for the work to be performed pursuant to contract and said plans and specifications, the City Council hereby rejects the D'Escoto West, Inc. bid as non-responsive and the Ranbay Construction Corporation bid as non-responsive and finds that Cornerstone Construction Group, hereinafter "said Contractor", is the lowest responsible bidder for such work. The bid of said Contractor is hereby accepted in the total amount of \$329,742, and a contract for the performance of such work dated _____, and identified as Contract No. _____, a copy of which is on file in the Office of the City Clerk, is hereby approved and awarded to said Contractor.

Section 5. A construction contingency in the amount of \$35,000 is hereby approved for change orders to the contract as approved by the City.

Section 6. The Mayor is authorized and directed to execute said Agreement on behalf of the City and the City Clerk is directed to attest thereto.

Section 7. The City Manager or his designee shall administer the terms of the Agreement on behalf of the City.

Section 8. The City Clerk shall furnish a copy of said Agreement after it has been approved and fully executed by the City, along with a copy of this resolution, to: Cornerstone Construction Group Inc. 707 Torrance Blvd. Suite 100 Redondo Beach, CA 90277

Section 10. The City Clerk shall certify to the adoption of this Resolution and shall cause this Resolution and his certification to be entered in the Book of Resolutions of the Council of this City.

Adopted:

NANCY KRASNE
Mayor of the City of
Beverly Hills, California

ATTEST:

_____(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:



DAVID D. GUSTAVSON
Director of Public Works & Transportation



ALAN SCHNEIDER
Director of Project Administration

Attachment 2

Form of Contract

APPENDIX A

FORM OF CONTRACT

This contract ("Contract") is entered into by and between the City of Beverly Hills ("City"), a California municipal corporation, and CORNERSTONE CONSTRUCTION GROUP, INC., a Corporation, whose address is 707 Torrance Boulevard, #100, Redondo Beach, California 90277.

In consideration of the agreements herein contained, the parties agree as follows:

1. WORK TO BE PERFORMED. Contractor shall furnish at Contractor's own expense all labor, materials, supplies, equipment, tools, transportation and other items of expense necessary to complete in a workmanlike manner all Work in accordance with the terms and conditions of the Contract, except for the labor, materials, supplies, equipment, tools, transportation and other items of expense as may be required to be furnished by the City. The Work is defined in detail in the Contract Documents, which govern the interpretation and performance of this Contract, but may be generally described as follows:

LA CIENEGA TENNIS CENTER LOCKER ROOM RENOVATION

Item Description: Improvements to La Cienega Tennis Center including selective interior demolition, electrical, ventilation, plumbing and other trades associated with the installation of new locker room/rest room facilities located at 325 La Cienega Bl., Beverly Hills, California 90210.

2. CONTRACT DOCUMENTS. This contract consists of this Form of Contract and the following Contract Documents, including all exhibits, appendices, addenda, drawings, specifications and documents therein and attachments thereto, all of which are by this reference incorporated herein and made a part of this Contract:

- SECTION 1: NOTICE INVITING BIDS**
- SECTION 2: INSTRUCTIONS TO BIDDERS**
- SECTION 3: SPECIAL CITY REQUIREMENTS**
- SECTION 4: GENERAL SPECIFICATIONS**
- SECTION 7: ADDITIONAL FORMS**
- APPENDIX B: SCOPE OF WORK**
- APPENDIX C: PAYMENT PROCEDURES**
- APPENDIX D: BID FORM**
- APPENDIX E: TECHNICAL SPECIFICATIONS**

as contained in City's Bid Document for Bid No. 10-13, dated October 2, 2009 and

- SECTION 5: BIDDER'S BID**
- SECTION 6: SIGNATURE PAGE AND LEGAL STATUS**

of Contractor's Bid in response thereto, all of which are incorporated herein by reference, and all of which shall comprise the Contract Documents for this Contract. If any item of the Scope of Work, Payment Schedule, or any other item of the Bid Package is modified by either of the parties or arrived at by negotiation between the parties, that item as finally agreed upon by the parties shall also become a Contract Document, it shall supersede the corresponding item of the Bid Package, if any, and it shall be subject to all terms and conditions of the Contract.

3. PERFORMANCE PERIOD. Contractor shall commence Work after execution of the Contract, and shall complete all Work in 160 calendar days from the date of Notice To Proceed as set forth in the Contract Documents.

4. PAYMENT. City shall pay Contractor as full consideration for the satisfactory performance by Contractor of all Work required under this Contract the sum of Three Hundred Twenty-Nine Thousand Seven Hundred Forty-Two Dollars (\$329,742.00), payable as provided in the Contract Documents.

5. The City Manager or his designee shall administer the terms of the Agreement on behalf of the City.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed as of the date stated below.

DATED: _____

DATED: _____

CITY OF BEVERLY HILLS
"City"

"Contractor"

NANCY KRASNE
Mayor

By: _____

ATTEST:

By: _____

BYRON POPE
City Clerk

APPROVED TO FORM:

APPROVED AS TO CONTENT:

LAURENCE S. WIENER
City Attorney

RODERICK J. WOOD, ICMA-CM
City Manager

DAVID D. GUSTAVSON
Director of Public Works & Transportation

ALAN SCHNEIDER
Director of Project Administration

KARL KIRKMAN
Risk Manager

Attachment 3

Categorical Exemption



455 N. Rexford Drive
Beverly Hills, CA 90210-4817
(310) 285-1123
FAX: (310) 858-5966

www.beverlyhills.org

CITY OF BEVERLY HILLS

Categorical Exemption

NAME OF PROJECT La Cienega Tennis Center Renovation

LOCATION 325 S. La Cienega Boulevard, Beverly Hills, California

TYPE OF BUSINESS (IF COMMERCIAL) City of Beverly Hills Tennis Center

PROJECT DESCRIPTION Renovate the existing interior restroom and locker room including new wall and floor finishes, new plumbing and lighting fixtures, and partitions and lockers.

APPLICANT'S NAME City of Beverly Hills PHONE 310-285-1188

APPLICANT'S ADDRESS Project Administration 345 Foothill Road

CITY Beverly Hills, CA ZIP 90210

IF DIFFERENT, PROVIDE:

AGENT'S NAME _____ PHONE _____

AGENT'S ADDRESS _____

CITY _____ ZIP _____

The undersigned, having received this project for processing, has reviewed it for environmental impact and concluded that the project qualifies for a categorical exemption under the procedures adopted by the City of Beverly Hills and no further environmental assessment is necessary.

Applicable Exemption Class 15307(A)

COMMENTS interior alterations to existing facilities no change in footprints.

REVIEWED BY [Signature] Date 11/19/09

FEE \$ — (See current Planning Department Fee Schedule)