



County of Los Angeles
CHIEF EXECUTIVE OFFICE

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Chief Executive Officer

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September 8, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: BOB HOPE PATRIOTIC HALL
GENERAL REFURBISHMENT PROJECT- APPROVE REVISED TOTAL
PROJECT BUDGET – AWARD DESIGN-BUILD CONTRACT
SPECS. 6801; CAPITAL PROJECT NO. 86491
(FIRST DISTRICT) (3 VOTES)**

SUBJECT

The recommended actions will authorize the Department of Public Works to execute a design-build contract for the Bob Hope Patriotic Hall General Refurbishment project.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the revised total project budget of \$45,384,000 for the Bob Hope Patriotic Hall General Refurbishment project (Capital Project No. 86491).
2. Find that PCL Construction Services, Inc., is the Responsive and Responsible Bidder that submitted the most advantageous and best value proposal for design and construction of the Bob Hope Patriotic Hall General Refurbishment project, based on the criteria stated in the request for proposals, including qualifications, technical design, construction expertise, proposed delivery plan, price, skilled labor force availability, acceptable safety record, and life cycle costs.
3. Award and authorize the Director of Public Works to execute a design-build contract with PCL Construction Services, Inc., to provide design and construction services for a \$29,385,000 not-to-exceed fee (inclusive of the contract's design-completion allowance of \$1,400,000), subject to receipt by the County of

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acceptable Faithful Performance and Payment for Labor and Materials Bonds and evidence of required contractor insurance filed by the design-build entity.

4. Authorize the Director of Public Works to control the use of the design-completion allowance of \$1,400,000, including the authority to reallocate the allowance into the contract sum, as appropriate, to resolve cost issues with PCL Construction Services, Inc., that are identified during the design phase of the project, such as changes required by jurisdictional agencies or changes resulting from unforeseen conditions, including related construction-phase impacts.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will award a design-build contract with PCL Construction Services, Inc. (PCL), for design and construction of the Bob Hope Patriotic Hall General Refurbishment project, C.P. No. 86491.

Background

Patriotic Hall, located at 1816 South Figueroa Street, Los Angeles, houses the County Department of Military and Veterans Affairs (DMVA), as well as other affiliated groups that provide support services to veterans. Built in 1926, Patriotic Hall is eligible for the National Register of Historic Places and has been placed on the State's Register of Historic Resources.

Proposed Scope of Work

The proposed project will refurbish and/or replace the building's mechanical, electrical, heating, cooling, ventilation, plumbing, fire suppression, and telecommunications systems. The refurbishment will provide office and meeting/conference room space for the DMVA, veteran's groups, and other County departmental staff. New furniture, fixtures, and equipment will be provided to suit the users' needs. The renovation also includes refurbishment of the gymnasium on the 10th floor, a full-service kitchen in the basement, and Americans with Disabilities Act (ADA) upgrades, including new accessible restrooms and accessible seating and stage in the auditorium. Exterior site work will include new landscaping, resurfacing of the existing parking lot, and new ADA accessible parking stalls.

Given the Patriotic Hall's historic status, special attention will be directed toward the restoration of historic building elements during refurbishment activities. All restoration work will be done in accordance with the Secretary of the Interior Standards.

Design-Build Delivery

Based on the Board-approved design-build policy and procedures, PCL was found to be the most advantageous and best qualified firm to perform the design and construction of the project. We recommend your Board award the design-build contract to PCL subject to PCL satisfying the conditions for contract award.

Sustainable Design Program

In support of your Board's Sustainable Design Program, the proposed project will incorporate all the necessary sustainable design features that would allow the County to apply for a U.S. Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) Silver Certification upon completion of the work. There will be savings due to a reduction in electricity as a result of the sustainable building elements, such as energy efficient light fixtures with timer controls in the design. The facility's heating, ventilation, and cooling system will utilize an energy management control system. The project will use water-efficient fixtures in the restrooms and exterior site landscaping areas will be constructed using drought tolerant planting.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) through fiscal responsibility, service excellence and organizational effectiveness by investing in public infrastructure that will provide an efficient workplace environment to better serve the veteran's community and County residents.

FISCAL IMPACT/FINANCING

The estimated design build cost is \$36,385,000, including \$27,985,000 for the design build contract, \$7,000,000 for a 25 percent contingency fund, and \$1,400,000 for design completion allowance. PCL's bid of \$27,985,000 is below Public Works independent design build estimate of \$34,858,500.

The design completion allowance of \$1,400,000 included within the design-build contract with PCL is intended to facilitate the resolution of issues identified only during the design phase of the project, including issues concerning the County's scoping documents or changes required by jurisdictional agencies or due to unforeseen conditions (discovered during the design phase), including any increased design or construction costs associated therewith. The inclusion of the design completion allowance will facilitate the design decision process and minimize potential delays that could occur while design phase issues are resolved. The use of this allowance will be

strictly controlled by the County, and will require Public Works to obtain written authorization from the Chief Executive Office (CEO) before a reallocation into the contract sum is permitted. The design completion allowance shall not be used to fund the resolution of issues, conditions, or changes encountered during the construction phase.

The revised total project cost, including the preparation of scoping documents, plan check fees, design and construction, design completion allowance, change order contingency, consultant services, miscellaneous expenditures, Civic Art allocation, County services, and a project contingency is \$45,384,000 which is below the amount of \$47,794,000 previously approved by your Board on April 8, 2008.

Sufficient appropriation is available in the Fiscal Year 2009-10 in C.P. No. 86491 to complete design and construction of the project.

The proposed project is funded with \$2,952,000 of General Fund net County cost, \$304,000 is funded by the Los Angeles Arts Commission and \$42,128,000 is financed initially through the issuance of tax-exempt commercial paper and ultimately the issuance of long term, tax-exempt bonds.

The Project Schedule and Budget Summary are included in Attachment A.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard contract, in the form previously approved as to form by County Counsel, will be used. The standard Board-directed clauses that provide for contract termination, renegotiation, and hiring qualified displaced County employees will be included in the contract.

The project specifications contain provisions requiring the design-builder to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, PCL is willing to consider Greater Avenues for Independence Program/General Relief Opportunities for Work participants for future employment.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require

each subcontractor to notify its employees, about Board Policy 5.135 (Safely Surrendered Baby Law) and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

PCL is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program). As required by your Board, the project cost includes 1 percent of design and construction costs to be allocated to the Civic Art Fund per your Board's Civic Art Policy adopted on December 7, 2004.

ENVIRONMENTAL DOCUMENTATION

On April 8, 2008, your Board found the project categorically exempt under the California Environmental Quality Act (CEQA) in accordance with State CEQA Guidelines, Section 15301 (a), (d), and (e), and the County of Los Angeles Environmental Procedures and Guidelines, Class 1, adopted by your Board on November 17, 1987.

CONTRACTING PROCESS

On September 8, 2008, Public Works solicited requests for qualifications from design-build entities for the project. This contract opportunity was listed in the County's Doing Business with Us website. The first phase of the design-build request for proposals process involves the submittal of prequalification questionnaires by interested design-build firms. Based on the scored portion of the prequalification phase, the evaluation committee shortlisted the top three ranked, prequalified firms. The firms consist of Turner Construction Company, S.J. Amoroso Construction Co. Inc., and PCL, who were all subsequently invited to submit technical and cost proposals.

On February 11, 2009, Public Works requested technical and cost proposals from the three shortlisted, prequalified firms. On April 21, 2009, technical and cost proposals were submitted by the three firms. On May 20, 2009, the technical and cost proposals were evaluated by the evaluation committee. The evaluation was based on technical design, construction expertise, proposed delivery plans, schedule, price, life cycle costs, skilled labor force availability, acceptable safety record, and design-build team personnel and organization. Final ranking of the shortlisted, prequalified proposers is listed in Attachment B. PCL was found to be the most advantageous and best qualified firm to perform these services. These evaluations were completed without regard to race, creed, color, or gender. It is recommended that a contract for \$29,385,000 (inclusive of the contract's design-completion allowance of \$1,400,000) be awarded to PCL.

The Honorable Board of Supervisors
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IMPACT ON CURRENT SERVICES (OR PROJECTS)

Since the building is vacant, there will be no impact on current County services or projects during the performance of the recommended services.

CONCLUSION

Please return one adopted copy of this letter to the Chief Executive Office, Capital Projects Division, and one to the Department of Public Works, Project Management Division II.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:GF:DL
DJT:AV:zu

Attachments

c: Auditor-Controller
County Counsel
Department of Military and Veterans Affairs
Department of Public Works
Office of Affirmative Action Compliance

September 8, 2009

ATTACHMENT A

**DEPARTMENT OF PUBLIC WORKS: BOB HOPE PATRIOTIC HALL
GENERAL REFURBISHMENT PROJECT – APPROVE REVISED TOTAL
PROJECT BUDGET – AWARD DESIGN-BUILD CONTRACT
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(FIRST DISTRICT) (3 VOTES)**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date	Revised Completion Date
Project Program Program Acceptance	Completed	
Scoping Documents	12/24/08	Completed
Design Build Procurement Recommended Design-Build Entity Award Contract	06/18/09 09/08/09	Completed 10/26/09
Design and Construction Design Completion Substantial Completion	02/22/10 02/21/12	12/13/10 07/10/12
Project Acceptance	06/21/12	09/10/12

II. PROJECT BUDGET SUMMARY

Budget Category	Project Budget	Impact of This Action	Revised Project Budget
Land Acquisition	\$ 0	\$ 0	\$ 0
Construction			
Design-Build Contract (Including design completion allowance of \$1,400,000)	\$ 34,858,500	(\$ 5,473,500)	\$ 29,385,000
Change Order Contingency (25 percent)	\$ 4,768,000	\$ 2,232,000	\$ 7,000,000
Telecommunication Equipment – Affixed to Building	\$ 814,500	\$ 35,500	\$ 850,000
JOC Prior Investigation & Make Ready Work	0	\$ 150,000	\$ 150,000
Gordian Group	\$ 20,500	\$ 500	\$ 21,000
Civic Arts	\$ 358,500	(\$ 54,500)	\$ 304,000
Subtotal	\$ 40,820,000	(\$ 3,110,000)	\$ 37,710,000
Programming/Development	0	0	0
Plans and Specifications			
Architect/Engineering Services	\$ 1,272,000	\$ 20,000	\$ 1,292,000
Subtotal	\$ 1,272,000	\$ 20,000	\$ 1,292,000
Consultant Services			
Deputy Inspection	\$ 200,000	\$ 50,000	\$ 250,000
Site Planning	0	0	0
Hazardous Materials	\$ 150,000	\$ 50,000	\$ 200,000
Geotech/Soils Test	\$ 80,000	0	\$ 80,000
Material Testing	0	0	0
Cost Estimating	0	\$ 60,000	\$ 60,000
Project Scheduling	0	\$ 80,000	\$ 80,000
Constructability Review	0	0	0
Construction Management Support	\$ 300,000	0	\$ 300,000
Construction Administration	\$ 0	0	0
Environmental	\$ 450,000	(\$ 150,000)	\$ 300,000
Move Management	0	0	0
Equipment Planning	0	0	0
Legal	0	0	0
Contract/Change Order	0	0	0
Other	0	0	0
Subtotal	\$ 1,180,000	\$ 90,000	\$ 1,270,000
Miscellaneous Expenditures			
Office of Affirmative Action Compliance	\$ 38,000	0	\$ 38,000
Printing	\$ 20,000	0	\$ 20,000
Other	\$ 20,000	0	\$ 20,000
Subtotal	\$ 78,000	\$ 0	\$ 78,000

II. PROJECT BUDGET SUMMARY (continued)

Budget Category	Project Budget	Impact of This Action	Revised Project Budget
Jurisdictional Review/Plan Check/Permit	\$ 320,000	\$ 0	\$ 320,000
County Services			
Code Compliance and Quality			
Control Inspections	\$ 505,000	\$ 50,000	\$ 555,000
Design Review	\$ 42,000	0	\$ 42,000
Design Services	\$ 17,000	0	\$ 17,000
Contract Administration	\$ 140,000	0	\$ 140,000
AED Support Services	\$ 31,000	0	\$ 31,000
Project Management	\$ 1,575,000	\$ 365,000	\$ 1,940,000
Project Management Support Services	0	0	0
Clerical Support	\$ 151,000	0	\$ 151,000
Document Control	\$ 329,000	\$ 141,000	\$ 470,000
ISD Crafts	\$ 145,000	0	\$ 145,000
DPW Job Order Contract Management	0	0	0
ISD ITS Communications	\$ 1,000,000	0	\$ 1,000,000
Project Security	0	0	0
Project Technical Support	\$ 105,000	\$ 19,000	\$ 124,000
Consultant Contract Recovery	\$ 36,000	\$ 15,000	\$ 51,000
County Counsel	0	0	0
Survey Division	\$ 38,000	0	\$ 38,000
Mapping and Property Management	\$ 10,000	0	\$ 10,000
Design Services	0	0	0
Subtotal	\$ 4,124,000	\$ 590,000	\$ 4,714,000
Total	\$ 47,794,000	(\$ 2,410,000)	\$ 45,384,000

September 8, 2009

ATTACHMENT B

**DEPARTMENT OF PUBLIC WORKS: BOB HOPE PATRIOTIC HALL
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(FIRST DISTRICT) (3 VOTES)**

The proposed project consists of the refurbishment of the Bob Hope Patriotic Hall, and it is located at 1816 South Figueroa Street, Los Angeles. The project will include the refurbishment of historic fabric, as well as new mechanical, electrical, heating, cooling, ventilation, plumbing, fire suppression, and telecommunications systems.

Proposal Date: April 21, 2009

Ranking of Shortlisted, Prequalified Proposers From Most Advantageous To Least:

1. PCL Construction Services, Inc.
2. Turner Construction Company
3. S.J. Amoroso Construction Co., Inc.

The contract will be issued to PCL Construction Services, Inc., for \$29,385,000 (inclusive of the design-completion allowance of \$1,400,000).