

APPROVED

JAN 09 2008

REPORT OF GENERAL MANAGER

NO. 08-05

DATE January 9, 2008

BOARD OF RECREATION  
and PARK COMMISSIONERS

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ECHO PARK – BUILDING RENOVATION (W.O. #E170388F) - CONTRACT NO. 3158 - DISCONTINUANCE OF RETENTION

R. Adams	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
V. Israel	_____	*M. Shull	<u>MS</u>

K. Regan (for JKM)  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Approve the request of Tobo Construction, Inc., to discontinue further retention for Echo Park – Building Renovation (W.O. #E170388F), Contract No. 3158; and,
2. Direct the Board Secretary to notify all interested parties regarding said retention discontinuance.

SUMMARY:

The Department is in receipt of a request from Tobo Construction, Inc., for the Echo Park – Building Renovation (W.O. #E170388F), Contract No. 3158, to discontinue withholding further retention for all subsequently approved payment claims as the project is more than fifty percent (50%) complete. The current construction contract amount is \$5,291,224.25. To date, the total retention funds withheld are for the amount of \$496,595.72, which has been paid to the escrow account.

Pursuant to Division 01 – General Requirements, Section 20.D.1 of the Contract, retention of ten percent (10%) is held on the original Contract value of each approved payment claim until the amount paid of the original Contract equals fifty percent (50%). The City may then, at its sole discretion, discontinue further retention on the original Contract value for all subsequently approved payment claims if the project is progressing satisfactorily, provided that at any time during the course of the Contract, the City may, at its sole discretion, reinstate the ten percent

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(10%) retention. This conforms to standard practice on construction contracts.

In addition, the project manager recommends that this request be honored, as Tobo Construction, Inc., is in good standing and moving forward with the project.

FISCAL IMPACT STATEMENT:

There will be no fiscal impact as the monies involved are already appropriated to this contract.

Prepared by Mary Alvarez, Commission Executive Assistance, Commission Office.