

APPROVED
MAY 21 2008

REPORT OF GENERAL MANAGER

NO. 08-130

DATE May 21, 2008

C.D. 7

**BOARD OF RECREATION
and PARK COMMISSIONERS**

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: HANSEN DAM GOLF COURSE – CART PATHS AND IRRIGATION PROJECT (#1101D / #1016G) (W.O. #E170412F) – CONTRACT NO. 3217 – PARTIAL ACCEPTANCE AND PARTIAL RELEASE OF RETENTION MONIES AND DISCONTINUANCE OF RETENTION

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|------------------|------------------------------|
| R. Adams _____ | J. Kolb _____ |
| H. Fujita _____ | F. Mok _____ |
| S. Huntley _____ | K. Regan _____ |
| V. Israel _____ | *M. Shull <i>[Signature]</i> |

[Signature]
General Manager

Approved /

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the partial acceptance of work and the release of \$315,753 of the retention monies on 86% of the work completed on the Hansen Dam Golf Course – Cart Paths and Irrigation Project (#1101D / #1016G) (W.O. #E170412F), performed under Contract No. 3217 with American Landscape Inc. and Mallcraft Inc., a Joint Venture, as outlined in the body of this report subject to the satisfaction of conditions listed under Article 48 of the General Conditions of the contract;
2. Discontinue the retention withholdings on future construction invoices;
3. Authorize the Department’s Chief Accounting Employee to release \$315,753 of the retention monies held to date under Contract No. 3217 to American Landscape Inc. and Mallcraft Inc, a Joint Venture, 14 calendar days after partial acceptance; and,
4. Authorize the Board Secretary to furnish American Landscape Inc. and Mallcraft Inc, a Joint Venture, Contract No. 3217, with a letter of partial completion indicating the release of \$315,753 of the retention monies held under said contract.

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SUMMARY:

The construction contract for the Hansen Dam Golf Course – Cart Paths and Irrigation Project (#1101D / #1016G) (W.O. #E170412F) project was awarded to American Landscape Inc. and Mallcraft Inc, a Joint Venture (Joint Venture), on May 16, 2007 (Board Report No. 07-106), in the amount of \$5,722,415. The project, which is located at 10400 Glenoaks Boulevard, Pacoima, provided for the demolition of approximately 32,452 square feet of 5½ inch thick concrete cart path in selected locations as shown in the plans and specifications, installation of approximately 116,168 square feet of 4-inch thick concrete cart paths joining with the existing cart paths to complete a tee to green pathway throughout the existing golf course, and the installation of an automated irrigation system that includes the necessary infrastructure to use recycled water in the future.

The original contract had required that the contractor to maintain nine holes of the course open to the public during construction. The Joint Venture has been able to maintain all eighteen holes open during construction, which has benefited both the golfing community and the Department as the golfers have continued to play rounds during construction.

The Joint Venture, started construction on July 23, 2007; to date, the contract amount is \$5,845,670, which includes the base bid amount of \$5,722,415, plus three approved change orders totaling \$123,255, which equals 2.15% of the base bid, for unforeseen conditions, errors and omissions in the contract drawings, and project betterments at the request of Department staff. Department of Public Works, Bureau of Engineering (BOE) is currently negotiating with the Joint Venture an additional eight change orders for project betterments and changed conditions and errors and omissions, such as, replacement of the drinking fountains and rusted piping, new domestic and irrigation back flow devices from the water meters, service road improvements to allow maintenance vehicles better access throughout the course, and modified points of connection that will allow the future recycled water lines to be brought to the site in a more efficient manner. Staff has estimated that the additional change orders will increase the contract amount by another \$300,000. The project is anticipated to be completed by June 2008 and within budget.

The project is funded entirely by the Golf Surcharge, as outlined in Board Report No. 07-106 (May 16, 2007). The project is approximately 86% complete and according to the Contract Administration Inspector and BOE Construction Manager, all work has been satisfactorily performed in accordance with the contract documents and specifically Article 48 of the General Conditions. The more difficult irrigation improvements due to the rocky soil conditions for holes twelve through eighteen have been completed as well as the concrete cart paths and irrigation mainlines throughout the course.

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Staff recommends acceptance of the work for holes twelve through eighteen, located east of the dam spillway and of the concrete cart paths west of the dam spillway and payment of \$315,753 of the construction payment retention monies to the Joint Venture as they have satisfied the conditions contained in Article 48 of the General Conditions of the Contract which states that the CITY may, if the work is progressing satisfactorily, release part of the retention on portions of the work for which a Statement of Partial Completion has been issued, provided that the following conditions have been met:

- Item 1. Partial Final Inspections corrections have been completed to the satisfaction of the INSPECTOR - Work has been completed;
- Item 2. The CONTRACTOR submits a written request for the release of retention which includes a verifiable valuation of the identified portions of the Work covered by the Statement of Partial Completion - Staff has received a letter from the Joint Venture requesting the partial release of retention monies and the dollar value has been verified to be accurate by staff;
- Item 3. Impacted Subcontractors, major suppliers and the CONTRACTOR's Surety all agree in writing to release of retention - The Joint Venture has provided written letters from the impacted subcontractors, major suppliers and their Surety that they are agreeable to the partial release of the retention;
- Item 4. If any minor correction remain which do not directly affect operations or maintenance then twice the values of the remaining cleanup items shall retained on each request for release – Sufficient retention monies will remain in the account to sufficiently cover the remaining 14% of the work or any potential stop notice for the remaining work (currently there are no outstanding stop notices on file); and
- Item 5. The CONTRACTOR signs a Change Order which specifically states the value of the retention being release - The Joint Venture has signed a Change Order stating the value of the retention being released.

FISCAL IMPACT STATEMENT:

There is no immediate fiscal impact to the Department' General Fund, as the project is funded entirely from the Golf Surcharge Account.

This report was prepared by David Takata, Project Manager and reviewed by James Ward, Golf Manager, Golf Division, Department of Recreation and Parks.