

APPROVED
SEP 17 2008

REPORT OF GENERAL MANAGER

NO. 08-254

DATE September 17, 2008

**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EVERGREEN RECREATION CENTER – CHILDCARE CENTER
(W.O. #E170354F) – CONTRACT NO. 3184 – DISCONTINUANCE OF
RETENTION

R. Adams _____	J. Kolb _____
H. Fujita _____	F. Mok _____
S. Huntley _____	K. Regan _____
V. Israel _____	M. Shull _____

One for M.S.

[Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the request of HMI Construction Services, to discontinue further retention for the Evergreen Recreation Center – Childcare Center (W.O. #E170354F) project, Contract No. 3184; and,
2. Direct the Board Secretary to notify all interested parties regarding said retention discontinuance.

SUMMARY:

The Department has received a request from HMI Construction Services, contractor for the Evergreen Recreation Center - Childcare Center (W.O. #E170354F), Contract No. 3184, 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 \$2,392,242. To date, the total retention funds withheld are for the amount of \$239,045.82, which has been paid to the escrow account. The project is now 97% complete in construction.

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

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PG. 2 NO. 08-254

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

The contractor has satisfactory completed 97% of his original contracted price, and all further pay requests will be for change orders that have been agreed upon by all parties that are involved. In addition, the BOE Project Manager recommends that this request be honored, as HMI Construction Services, is in good standing and moving forward with the project.

FISCAL IMPACT STATEMENT:

There is no fiscal impact to the Department's General Fund as the monies involved are already appropriated to this contract. The project improved an existing facility, which is already maintained by the Department's Maintenance staff.

This was prepared by Ray Araujo, Project Manager, Recreational and Cultural Facilities, Bureau of Engineering. Reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program; and by Deborah J. Weintraub, Chief Deputy City Engineer, Bureau of Engineering; and by Michael A. Shull, Superintendent, Planning and Development, Department of Recreation and Parks.