

REPORT OF GENERAL MANAGER

**APPROVED**  
**APR 18 2011**

NO. 11-113

DATE April 18, 2011

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SAN PEDRO PLAZA PARK – MEMORANDUM OF UNDERSTANDING WITH THE HARBOR DEPARTMENT FOR THE DEVELOPMENT AND OPERATION OF SPECIFIED IMPROVEMENTS

R. Adams	_____	K. Regan	_____
H. Fujita	_____	*M. Shull	<u><i>M. Shull</i></u>
V. Israel	_____	N. Williams	_____

*[Signature]*  
General Manager

Approved *[Signature]* Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Rescind the approval of Recommendation No. 2 in Board Report No. 10-075 approved by the Board of Recreation and Park Commissioners on of April 7, 2010 that essentially approved the form of the Memorandum of Understanding (MOU) with the Harbor Department of the City of Los Angeles (Harbor Department) for the Development and Operation of Specified Improvements at San Pedro Plaza Park;
2. Approve a proposed MOU with the Harbor Department, substantially in the form on file in the Board Office, that differs from the previous form in its disbursement schedule and further described in the Summary of this Report;
3. Direct the Board Secretary to transmit the proposed MOU to the Mayor in accordance with Executive Directive No. 3 and concurrently to the City Attorney for review and approval as to form;
4. Authorize the Board President and Secretary to execute the proposed MOU upon receipt of the necessary approvals; and,

SUMMARY:

On April 7, 2010, the Board of Recreation and Park Commissioners (Board) approved Board Report No. 10-075. This action approved the construction of certain improvements at San Pedro

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Plaza Park which is located at 700 South Beacon Street in San Pedro (Exhibit A). Design components include a system of safe, attractive, pedestrian paths, and stairways. This system will include signs, arrows, and other design elements that direct visitors up to the park to take advantage of the opportunities that it provides to view the Port. Improvements in the park itself will include new walkways and railings; a Harbor overview seating area; a Port and bridge overlook area with interpretive signage and improved view corridors. It will also include upgrades to landscaping, irrigation, and lighting. If it is determined that the existing stairs require repair and/or replacement it will also be part of this project. A conceptual design of the proposed project is attached as Exhibit B1 and B2. The Board's action also approved a Memorandum of Understanding with the Harbor Department that described the Harbor Department's responsibility to provide necessary funding of up to \$5,000,000 to complete the project and RAP's responsibility to complete the design and construction of the improvements and, upon its completion, maintain the improvements.

Subsequent to the Board's action of April 7, 2010, the Harbor Department proposed to change the disbursement schedule of the available funding. This change was partly due to the availability of funds and the Harbor Department's desire for accountability for the completion of work. The original disbursement schedule had the Harbor Department releasing funds in the following amounts:

1. \$500,000 upon completion and approval of final plans.
2. \$1,000,000 upon submittal of a detailed project budget and schedule and proof of completion of construction documents, bid packages, and award of construction contract.
3. \$1,500,000 after submittal of progress update and 30% project completion.
4. \$1,500,000 after submittal of progress update and 60% project completion.
5. \$500,000 upon final project completion and park maintenance for one (1) year after completion.

The revised disbursement schedule recommended by the Harbor Department has the following fund release schedule:

1. \$890,000 upon agreement of Project Scope of Work and Project Schedule which include "soft costs" such as survey, geotechnical work, CEQA, project management, construction management and administration, design, permits, inspection and consultation.
2. \$2,055,000 (50% of construction costs) during Bid and Award phase.
3. \$2,055,000 (50% of construction costs) upon 25% of construction completion.

This revised disbursement schedule is considered a significant change to the original MOU and therefore Board action on this matter is required. Additionally, Board approval of the disbursement schedule is required under Article IA of the MOU.

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FISCAL IMPACT STATEMENT:

As indicated in the prior report, there is no fiscal impact to the RAP's General Fund as the project will be fully funded by the funds provided by the Harbor Department. RAP staff will apply for maintenance and operations funds for the site at a later time.

This report was prepared by Cid Macaraeg, Senior Management Analyst II, Real Estate and Asset Management Division.