

REPORT OF GENERAL MANAGER

APPROVED
JUN 06 2011

NO. 11-146

DATE June 6, 2011

C.D. 12

**BOARD OF RECREATION
and PARK COMMISSIONERS**

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: DEVONSHIRE HOUSE – BUILDING RENOVATION AND OUTDOOR LANDSCAPING (W.O. #E170333F) PROJECT – MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS, THE BUREAU OF ENGINEERING AND THE DEPARTMENT OF GENERAL SERVICES

R. Adams _____
H. Fujita _____
V. Israel _____

K. Regan _____
*M. Shull *[Signature]*
N. Williams _____

[Signature]
General Manager

Approved *[Signature]*

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve a proposed Memorandum of Understanding (MOU), substantially in the form on file in the Board Office, between the Department of Recreation and Parks (RAP), the Department of Public Works, Bureau of Engineering (BOE), and the Department of General Services (GSD), to provide construction services for the Devonshire House – Building Renovation And Outdoor Landscaping (W.O. #E170333F) Project, subject to the approval of the City Attorney as to form;
2. Authorize the Department’s Chief Accounting employee, subject to Mayor and City Council Approval, to request the City Administrative Officer (CAO) to include in the CAO report to the City Council that a transfer of the following appropriation, in the amount of \$500,000, be approved for the construction of the Devonshire House – Building Renovation And Outdoor Landscaping (W.O. #E170333F) Project;

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From:

<u>Funding Source</u>	<u>Fund/ Dept/ Acct</u>	<u>Encumbrance Amount</u>
Proposition K – Year 14	43K/10/G875	\$50,000
Proposition K – Year 14 ⁽¹⁾	TBD	\$450,000
Proposition K – Year 14 Inflation ⁽¹⁾	TBD	
Total:		\$500,000

⁽¹⁾ Availability of funds pending approval by the City Council of the 2011-12 Proposition K Assessment Report which includes reprogramming and allocation of Proposition K funds for this project.

To:

Through GSD Account G140 and from there to the appropriate GSD accounts in Fund 100, Department 40, as follows:

1014 – Construction Salaries	\$ 75,000
1101 – Hiring Hall Salaries	\$100,000
1121 – Hiring Hall Fringe Benefits	\$ 40,000
3180 – Construction Materials and Supplies	<u>\$285,000</u>
Total:	\$500,000

and transfer cash to GSD on an as-needed basis, upon review and approval of expenditure reports submitted by GSD and approval of these reports by the BOE Project Manager;

3. Direct the Board Secretary to transmit forthwith the MOU to the City Attorney for expedited review and approval as to form; and,
4. Authorize the General Manager to execute the MOU prior to June 30, 2011, subsequent to the approval of the City Attorney as to form.

SUMMARY:

The proposed project is located at 18300 West Lemarsh Street, Northridge, California 91324. The project proposes to renovate and repair a single-story wood framed structure including replacement of damaged joists; reconfiguration of interior walls to facilitate better use of interior space; and landscaping.

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Staff recommends awarding this project to GSD in lieu of conducting a competitive construction bid process for the following reasons:

The project requires opening of interior walls and floors in order to determine the extent of repair work needed. If BOE were to prepare a set of plans for bid, GSD's assistance will be needed to open walls and floors during the design to fully quantify the members that would need replacement.

The project is funded by Proposition K and additional Proposition K funds are proposed to be reprogrammed to this project in the current fiscal year. For this reason, the project must now have a construction contract awarded before the end of the current Fiscal Year 2010-2011 (i.e., by June 30, 2011). There is now insufficient time remaining to proceed through the normal bid and award process. In order to meet the construction award schedule without losing the Proposition K funding, it is recommended that GSD be selected to construct the project, in accordance with Section 22.535(a) (5) of the Los Angeles Administrative Code.

GSD has not prepared a construction cost estimate for the project since plans for the project are not yet complete. Should the estimated amount for construction exceed the amount of this MOU, staff will report back to the Board on any additional actions that may need to be taken. A construction contingency in the amount of \$50,000 is also being recommended for appropriation to GSD, however, use of the contingency will require advance written approval by the BOE Project Manager or his designated representative. Upon approval by the Board and the City Council, a total of \$500,000 from Proposition K funds will be requested for appropriation to GSD.

Upon execution of the MOU and the approval of the fund appropriation and transfer to GSD accounts, GSD will be issued a Notice-to-Proceed when the plans are complete and the GSD cost estimate is found to be acceptable. The MOU is for a term of two (2) years, with construction completion estimated to take three hundred sixty-five (365) calendar days from the date of the Notice-to-Proceed.

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Approved project funds are available for the construction work in the following fund and accounts:

<u>Funding source</u>	<u>Fund/ Dept/ Account</u>	<u>Encumbrance Amount</u>
Proposition K – Year 14	43K/10/G875	\$50,000
Proposition K – Year 14 ⁽¹⁾	TBD	\$450,000
Proposition K – Year 14 Inflation ⁽¹⁾	TBD	
Total:		\$500,000

- (1) Availability of funds pending approval by the City Council of the 2011-12 Proposition K Assessment Report which includes reprogramming and allocation of Proposition K funds for this project.

The Proposition K funds needed for construction of the project are planned to be appropriated to GSD via the City Council approval of the Construction Progress Report (CPR) prepared by the City Administrative Officer. The funds will be transferred to GSD from the Proposition K account on an as-needed-basis, upon receipt and approval of the expenditure reports submitted by GSD.

In compliance with the California Environmental Quality Act (CEQA), staff has determined that the proposed improvements involve the refurbishment of existing park facilities, but will be done in accordance the Secretary of Interior Standards for the Treatment of Historic Properties. Therefore, the project has been determined to be Categorical Exempt pursuant to Article III, Section 1(a), Class 1(1) and Class 31 of the City CEQA Guidelines. A Notice of Exemption was file with the Los Angeles County Clerk on June 10, 2010.

FISCAL IMPACT STATEMENT:

Sufficient funds are available for the proposed construction project. There is no fiscal impact to the Department's General Funds. The assessment of the future operations and maintenance cost has yet to be determined.

This Report was prepared by Shashi Bhakta, Project Manager, and Cathie Santo Domingo, Recreational and Cultural Facilities Program, Bureau of Engineering; and reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, Bureau of Engineering; Deborah Weintraub, Chief Deputy City Engineer, Bureau of Engineering; and Michael A. Shull, Superintendent of Planning, Construction, and Maintenance Division, Department of Recreation and Parks.