

REPORT OF GENERAL MANAGER

APPROVED

NO. 12-182

DATE June 20, 2012

JUN 20 2012

C.D. 13

**BOARD OF RECREATION
AND PARK COMMISSIONERS**

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ECHO PARK BOATHOUSE - REHABILITATION PHASE II (PRJ1500K) (W.O. #E1907196) PROJECT - AMENDMENT TO MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS, THE DEPARTMENT OF PUBLIC WORKS, BUREAU OF ENGINEERING, AND THE DEPARTMENT OF GENERAL SERVICES, CONSTRUCTION FORCES DIVISION; AUTHORIZATION FOR TRANSFER OF FUNDS, AND FINAL ACCEPTANCE

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

V. Israel
General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve a proposed Amendment to the 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), Construction Forces Division for the Echo Park Boathouse Rehabilitation - Phase II (PRJ1500K) (W.O. #E1907196) project, to increase the total construction funding by \$201,788, for a total construction cost of \$1,541,788, subject to the review and approval of the City Attorney as to form;
2. Authorize the Department's Chief Accounting Employee to request that the Office of the City Administrative Officer (CAO) include in the CAO report to the City Council and the Mayor, a recommendation that the following transfer of appropriations, in the amount of \$201,788, be approved for the construction of the Echo Park Boathouse Rehabilitation - Phase II (PRJ1500K) (W.O. #E1907196) project.

REPORT OF GENERAL MANAGER

PG. 2 NO. 12-182

From:

<u>FUNDING SOURCE</u>	<u>FUND NO./DEPT. NO./ ACCT. NO.</u>	<u>APPROPRIATION AMOUNT</u>
Proposition 40 California Cultural Historical Endowment (CCHE) Grant ⁽¹⁾	205/89/89EG01	\$ 111,250
Economic Development Initiative (EDI) Grant	205/89/89YF01	<u>\$ 90,538</u>
TOTAL		\$ 201,788

⁽¹⁾ The Proposition 12/40 Cash Flow (Public Works Trust Fund) account will be used to cash flow the project and will be promptly repaid upon reimbursement of funds from the State.

To:

Through GSD Account and from there to the appropriate GSD Accounts in Fund No. 100, Department 40, as follows:

001014 Construction Salaries:	\$ 120,000
003180 Construction Materials and Supplies:	<u>\$ 81,788</u>
Total:	\$ 201,788

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

3. Direct the Board Secretary to transmit forthwith the proposed Amendment to the City Attorney for review and approval as to form;
4. Authorize the General Manager to execute the Amendment, subject to review and approval by the City Attorney as to form;
5. Approve the final acceptance of the work performed under the MOU, as outlined in the body of this report; and,
6. Authorize the Board Secretary to furnish GSD with a letter of completion.

SUMMARY:

The Echo Park Boathouse, constructed in 1932, has benefited from two recent rehabilitation projects. The Phase I portion of the rehabilitation, which focused on the structural and aesthetic retrofit of the dock areas, was completed in 2005. The Phase II work focused on the rehabilitation and preservation of the entire Boathouse, which included structural upgrades to replace rotted wood framing members, electrical, plumbing, and mechanical system upgrades, a new commercial kitchen,

REPORT OF GENERAL MANAGER

PG. 3 NO. 12-182

as well as minor upgrades at the adjacent restroom facility to meet the current code compliance. The funding for the Echo Park Boathouse Rehabilitation – Phase II project (Project) is available from the Proposition 40 CCHE Grant in the amount of \$1,451,250, and the Economic Development Fund (EDI) Grant in the amount of \$120,280. Only \$90,538 of the available \$120,280 is being requested to be encumbered for this Amendment to pay GSD.

On January 19, 2011, the Board (Board Report No. 11-026) approved an MOU between RAP, BOE and GSD, for the construction of the Project, which at the time was estimated in the amount of \$1,340,000 (\$1,120,000 plus a construction contingency of \$220,000). A total of \$1,340,000 of appropriations has been transferred to GSD accounts per Council Files No. 09-1425-S2, No. 11-1487-S1, and No. 11-1487-S3.

During construction, GSD performed additional work that was not part of the original estimate, due to the followings:

1. Unforeseen site conditions were encountered such as the discovery of additional hazardous materials in the interior and exterior of the building.
2. The conditions of the building's aging mechanical, plumbing and electrical systems were far more deteriorated than previously anticipated, including the existing undersized electrical panel.
3. Components related to structural retrofit previously removed as part of the value engineering were added back to the scope in order to provide additional structural reinforcement to the building.
4. Additional requirements to satisfy the Department of Building and Safety and the Los Angeles County Health Department inspectors.

BOE and GSD have worked closely together, and were able to complete all of the required work, as well as the additional scope, within the available funds. With the inclusion of added scope as described above, the total construction cost of the project has not exceeded the amount of available funding for the project; however, it has exceeded the MOU authority approved by the Board by \$201,788. Therefore, an Amendment to the MOU is required to increase the funding authority under the MOU from \$1,340,000 to \$1,541,788. The construction was on an accelerated schedule in order to meet the State Proposition 40 grant deadline. Due to this urgency, GSD was authorized to proceed with the additional work with the understanding that there were funds available from the contingency account. It is recommended that the Amendment to the MOU, reflecting the full construction funding amount of \$1,541,788, be approved and that authority be given to transfer an additional \$201,788 of fund appropriations to the appropriate GSD accounts.

BOE Architectural Division provided project management, design, and construction administration services; while the BOE Construction Management Division provided the construction management services to complete the project. The Program Manager advised the Department that GSD completed the construction of this project and that the quality of the work is excellent.

REPORT OF GENERAL MANAGER

PG. 4 NO. 12-182

There are no contract compliance or labor issues with the work done under this MOU. Construction work was completed by City employees and by subcontractors under the supervision of GSD staff.

This project was previously approved as categorically exempt from CEQA under a Notice of Exemption that was filed in November 2005. The amendment to the MOU will not result in additional environmental impacts, and no additional CEQA documentation is required.

FISCAL IMPACT STATEMENT:

At this time, there is not fiscal impact to the Department's General Fund for this Board Report. Once this project is completed, operational maintenance cost will be determined. Upon project completion, a request for funding will be submitted in future Department annual budget requests.

This report was prepared by Ohaji K. Abdallah, Project Manager, the Department of Public Works, Bureau of Engineering (BOE), Architectural Division. Reviewed by Neil Drucker, BOE, Program Manager, Recreational and Cultural Facilities Program, Deborah Weintraub, Chief Deputy City Engineer, BOE; and by Michael A. Shull, Superintendent, Planning, Construction and Maintenance Division.