

APPROVED
OCT 09 2012

REPORT OF GENERAL MANAGER

NO. 12-284

DATE October 3, 2012

BOARD OF RECREATION
AND PARK COMMISSIONERS

C.D. 8

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ST. ANDREWS RECREATION CENTER - OUTDOOR SPORTS DEVELOPMENT (W.O. #E170302F) PROJECT - RECOMMENDATION TO RESCIND AWARD OF PROJECT CONSTRUCTION AND TO TERMINATE THE MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS, THE DEPARTMENT OF PUBLIC WORKS, BUREAU OF ENGINEERING AND THE DEPARTMENT OF GENERAL SERVICES; REQUEST APPROVAL OF FINAL PLANS AND CALL FOR BIDS

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

[Signature]
General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Rescind the award of construction project to the Department of General Services (GSD) for the St. Andrews Recreation Center - Outdoor Sports Development (W.O. #E170302F) project in accordance with the terms of the Memorandum of Understanding (MOU) between the Department of Recreation and Parks (RAP), the Bureau of Engineering (BOE) and the Department of General Services, to provide construction services for the St. Andrews Recreation Center - Outdoor Sports Development (W.O. # E170302F) project;
2. Approve the proposed Mutual Termination Agreement (Agreement), substantially in the form on file in the Board Office, for St. Andrews Recreation Center - Outdoor Sports Development (W.O. # E170302F) project, in accordance with the terms of the Memorandum of Understanding (MOU) 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, to provide construction services for this project, subject to review and approval by City Attorney as to form;

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3. Direct the Board Secretary to transmit the proposed Agreement to the City Attorney for review and approval as to form;
4. Authorize the General Manager to execute the Agreement, upon receipt of approval of the City Attorney as to form;
5. Approve final plans and specifications for St. Andrews Recreation Center – Outdoor Sports Development (W.O. #E170302F) project;
6. Approve the reduction in the value of the work that the specifications require to be performed by the prime contractor from 50% to 20% of the base bid price; and
7. Approve the date to be advertised for receipt of bids as Tuesday, November 13, 2012, at 3:00 P.M. in the Board Office.

SUMMARY:

On June 15, 2011, the Board of Recreation and Park Commissioners (Board) approved the MOU between RAP, BOE, and GSD to provide the construction services for the St. Andrews Recreation Center – Outdoor Sports Development (W.O. #E170302F) project, located at 8701 St. Andrews Place, Los Angeles, California 90047 (Board Report No. 11-194), for a MOU amount of \$530,000.

Subsequent to the Board's action of June 15, 2011, to award the subject project to GSD and execution of the MOU, and after reviewing the construction documents, GSD presented a construction budget of \$744,077. While this exceeded the original City Engineer's estimate for the project, it was within the available construction funds and was therefore approved by the Project Manager. As this amount exceeded the original approved MOU amount, the Project Manager began the process of preparing an amendment to the approved MOU. However, on May 23, 2012, GSD presented a new quote of \$876,000, with the increased cost due to an increased estimate from one of GSD's vendors. The new projected total construction cost of the project, which includes the new quote of \$876,000, GSD's standard 11% markup for work done by vendors, contingency, and GSD's own staff cost, will exceed \$1,000,000. This projected amount will be more than the construction funds available for the project. Therefore, it is recommended that the award of the construction project to GSD be rescinded and that the MOU be terminated in accordance with its terms, and that the project be advertised for bids upon approval of the Call for Bids by the Board.

The project is funded by Proposition K Specified funds. Plans and Specifications for this project were prepared by BOE's Architectural Division.

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The scope of work as described in the Proposition K Ballot measure is "outdoor sports development." More specifically, the scope of work has been developed with input from the Department of Recreation and Parks staff and the Local Volunteer Neighborhood Oversight Committee (LVNOC), including:

1. Construct new tennis practice court;
2. Install 10 new pieces of outdoor exercise equipment;
3. Install shade cover over dugouts;
4. Install two new solar-powered electronic scoreboards;
5. Reconstruct existing walking path with new asphalt concrete paving and track surface from TRACTION or approved equal;
6. Reconfigure irrigation heads away from the walking path to minimize erosion; and,
7. Remove existing sand at Play Area and replace with concrete base and resilient surface.

The City Engineer's estimate for the construction cost of this project is \$512,000.

Funds are available from the following accounts:

<u>FUNDING SOURCE</u>	<u>FUND/DEPT/ACCT. NO.</u>
Proposition K – Year 14	43K/10/10G257
Proposition K – Year 14	TBD

It has been the policy of this Board to require that the prime contractor on construction projects perform a minimum of 50% of the work for the project, as measured by the base bid price. It is proposed that the Board reduce the prime contractor's participation requirement from 50% to 20% on this project. This should help attract a broader range of prime contractors, thus creating a more inviting and competitive bidding environment for this project. Also, it should create a more competitive pricing among the specialty subcontractors providing bids to the prime contractors, due to the number of specialty services needed.

In compliance with the California Environmental Quality Act (CEQA), staff has determined that the subject project will consist of the refurbishment of an existing park facility and installation of accessory structures, and therefore, is exempt from the provisions of the California Environment Quality Act (CEQA) pursuant to Article III, Section 1, Class 1(1, 12) and Class 11(3) of the City CEQA Guidelines.

The bid package has been approved by the City Attorney's Office.

Council District 8 supports the recommendations set forth in this report.

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FISCAL IMPACT STATEMENT:

There is no anticipated fiscal impact to the Department's General Fund as the project's construction costs will be fully funded by the above listed funding sources specifically identified and approved for this project. The assessments of the future operations and maintenance costs have yet to be determined and would be addressed in future budget requests.

This report was prepared by Ejike Mbaruguru, Project Manager, Recreational and Cultural Facilities Program, BOE. Reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, BOE; Deborah Weintraub, Chief Deputy City Engineer, BOE; and Michael A. Shull, Superintendent, Planning and Construction Division, Department of Recreation and Parks.