

APPROVED

REPORT OF GENERAL MANAGER

OCT 24 2012

NO. 12-287

DATE October 24, 2012

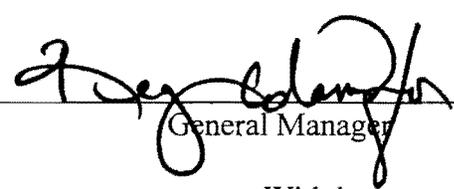
BOARD OF RECREATION
AND PARK COMMISSIONERS

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SPRING STREET PARK – PHASE II (PRJ20387) (W.O. #E1907464) PROJECT
— ESCROW AGREEMENT FOR SECURITY DEPOSITS IN LIEU OF
RETENTION

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



 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve the request of Environmental Construction, Inc. (Contractor), Contract No. 3376, to enter into an Escrow Agreement, substantially in the form on file in the Board of Recreation and Park Commissioners' (Board) Office, with the City of Los Angeles for Security Deposits in Lieu of Retention for the Spring Street Park – Phase II (PRJ20387) (W.O. #E1907464) project;
2. Direct the Board Secretary to transmit the Escrow Agreement to the City Attorney for review and approval as to form; and,
3. Authorize the Board President and Board Secretary to execute said Escrow Agreement upon approval as to form by the City Attorney.

SUMMARY:

The Department of Recreation and Parks (RAP) is in receipt of a request from the Contractor, Contract No. 3376, for the Spring Street park – Phase II (PRJ20387) (W.O. #E1907464) project, to enter into an Escrow Agreement for Security Deposits in Lieu of Retention.

REPORT OF GENERAL MANAGER

PG. 2 NO. 12-287

Pursuant to Section 22300 of the Public Contract Code of the State of California, the Contractor has the option to deposit securities with an Escrow Agent as a substitute for retention earnings required to be withheld by the City as Owner, pursuant to the Construction Contract entered for the Spring Street Park – Phase II (PRJ20387) (W.O. #E1907464) project in the amount of \$1,380,777, dated June 20, 2012. Alternatively, on written request of the Contractor, the City can make payments of the retention earnings directly to the Escrow Agent.

When the City makes payment of retentions earned directly to the Escrow Agent, the Escrow Agent shall hold them for the benefit of the Contractor until such time as the escrow created under the contract is terminated. The Contractor may direct the investment of the payments into securities. All terms and conditions of the Escrow Agreement and the rights and responsibilities of the parties shall be equally applicable and binding when the City pays the Escrow Agent directly.

FISCAL IMPACT STATEMENT:

There is no fiscal impact on the Department's General Fund.

This report was prepared by LaTonya D. Dean, Commission Executive Assistant.