

## AGENDA

### BOARD OF RECREATION AND PARK COMMISSIONERS OF THE CITY OF LOS ANGELES

Wednesday, August 13, 2014 at 9:30 a.m.

Stoner Recreation Center  
1835 Stoner Avenue  
Los Angeles, CA 90025

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LYNN ALVAREZ, PRESIDENT  
IRIS ZUÑIGA, VICE PRESIDENT  
SYLVIA PATSAOURAS, COMMISSIONER  
MISTY M. SANFORD, COMMISSIONER

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EVERY PERSON WISHING TO ADDRESS THE COMMISSION MUST COMPLETE A SPEAKER'S REQUEST FORM AT THE MEETING AND SUBMIT IT TO THE COMMISSION EXECUTIVE ASSISTANT PRIOR TO THE BOARD'S CONSIDERATION OF THE ITEM.

PURSUANT TO COMMISSION POLICY, COMMENTS BY THE PUBLIC ON AGENDA ITEMS WILL BE HEARD ONLY AT THE TIME THE RESPECTIVE ITEM IS CONSIDERED, FOR A CUMULATIVE TOTAL OF UP TO FIFTEEN (15) MINUTES FOR EACH ITEM. ALL REQUESTS TO ADDRESS THE BOARD ON PUBLIC HEARING ITEMS MUST BE SUBMITTED PRIOR TO THE BOARD'S CONSIDERATION OF THE ITEM. COMMENTS BY THE PUBLIC ON ALL OTHER MATTERS WITHIN THE SUBJECT MATTER JURISDICTION OF THE BOARD WILL BE HEARD DURING THE "PUBLIC COMMENTS" PERIOD OF THE MEETING. EACH SPEAKER WILL BE GRANTED TWO MINUTES, WITH FIFTEEN (15) MINUTES TOTAL ALLOWED FOR PUBLIC PRESENTATION.

1. INTRODUCTIONS:

Special Introduction and Opening Remarks by Councilmember Mike Bonin, Council District 11, or His Appointed Representative

Kevin Regan, Assistant General Manager, Recreation Operations Branch, will introduce the Staff of Stoner Recreation Center

2. APPROVAL OF THE MINUTES:

Approval of the Minutes of the Meetings of May 2, 2007, May 16, 2007, June 6, 2007 and July 23, 2014

3. GENERAL MANAGER'S REPORTS:

14-197 Alpine Recreation Center – Acceptance of Donation from the Los Angeles Chinatown Firecracker Run Committee

14-198 Cabrillo Marine Aquarium – Acceptance of Donation

14-199 EXPO Center – Donation from Friends of EXPO Center for Summer Youth Job Corps Program

14-200 EXPO Center – Donation from Friends of EXPO Center for 2014 Summer Camp Scholarships

August 13, 2014

- 14-201 Partnership Division – Donation from Humana in Support of the 50+ Senior Citizen Picnic by the Sea Event at Point Fermin Park
- 14-202 Algin Sutton Recreation Center – Donation of Baseball Field Improvements from the Los Angeles Dodgers Foundation
- 14-203 Gilbert Lindsay Synthetic Soccer Filed (PRJ20806) – National Recreation and Park Association/The Coca-Cola Foundation Funds; Acceptance of Grant Funds
- 14-204 Chatsworth Park South Playground Equipment Project (PRJ20254) – Proposition A Competitive Excess Funds: Authorization to Submit Grant Application; Acceptance of Grant Funds; City Council Resolution and Youth Employment Plan
- 14-205 Automated Golf and Tennis Reservation System – Amendment No. 2 to Agreement No. 246 with US eDirect, Inc. dba US eGolf
- 14-206 Poinsettia Recreation Center Tennis Professional Concession – Rescission of Award of Poinsettia Recreation Center Tennis Professional Concession Agreement to Steven and Maurica Katz; Award of Interim Concession Agreement to LA Tennis Incorporated
- 14-207 Hansen Dam Recreation Area – Approval of Naming the Children’s Campground in Honor of Otis Wallace
- 14-208 Rosecrans Recreation Center – Sports Fields Improvements and Stormwater Enhancements (W.O. #E170425F) – Release of Stop Payment Notice on Construction Contract No. 3360
- 14-209 Southeast Valley Roller and Skateboard Rink (W.O. #E170125D); St. Andrews Recreation Center – Outdoor Sports Development (W.O. #E1700302F); Mid-Valley Intergenerational Multipurpose Center (W.O. #E170239F) - Acceptance and Release of Stop Payment Notices on Construction Contracts
- 14-210 50 Parks Initiative – Chatsworth and De Soto Pocket Park – Preliminary Authorization to Proceed with the Acquisition of Property and/or Development of Park
- 14-211 Central Recreation Center - Pool and Bathhouse Renovation (PRJ#20251) (W.O. #E1907620) Project – Approval of Final Plans and Call for Bids
- 14-212 Andres Pico Adobe Park – Outdoor Area and Restroom Renovation (W.O. #E170330F) Project – Final Acceptance
- 14-213 Victory-Vineland Recreation Center – Outdoor Park Improvements (PRJ20832) Project – Scope of Work; Allocation of Quimby Fees; Exemption from the California Environmental Quality Act

August 13, 2014

- 14-214 Mar Vista Recreation Center – Baseball Fields Improvements (PRJ20798) – Scope of Work; Allocation of Quimby Fees; Exemption from the California Environmental Quality Act
- 14-215 Stoner Recreation Center – Conceptual Approval of Cellular Equipment Installation
- 14-216 Various Communications
- 14-217 Pershing Square – Winter Themed Lighting – Request for Proposals
- 14-218 50 Parks Initiative – Watts Cultural Crescent (Watts Towers Cultural Crescent) – Acceptance of Real Property Parcel with Assessor’s Parcel Number 6065-033-900 for Park Purposes
- 14-219 East Wilmington Greenbelt Community Center – Preliminary Authorization to Acquire Real Property for Expansion, Remediation, and Development
- 14-220 Flat Top Park – Preliminary Authorization to Proceed with the Acquisition of Property for Park Purposes

4. UNFINISHED BUSINESS:

Election of Officers  
(Original Date – 7/9/14)

Approval of the Special Meeting Minutes of the Meeting of June 26, 2014  
(Original Date – 7/9/14)

Bureau of Contract Administration, General Services Division – Status Report on Subcontractor Approval Activity – **ITEM TO BE WITHDRAWN**  
(Original Date – 7/9/14)

5. COMMISSION TASK FORCES:

- Commission Task Force on Concessions Report – Commissioners Patsaouras and Zuñiga
- Commission Task Force on Facility Repair and Maintenance Report – Commissioner Sanford

6. PRESENTATION:

Status of Greek Theatre Concession Request for Proposals – Oral Presentation Presented by Concessions Division

7. GENERAL MANAGER’S ORAL REPORT:

Report on Department Activities and Facilities

August 13, 2014

8. PUBLIC COMMENTS:

Any comments which require a response or report by staff will be automatically referred to staff for a report at some subsequent meeting.

9. FUTURE AGENDA ITEMS:

Requests by Commissioners to Schedule Specific Items on Future Agendas

10. NEXT MEETING:

The next scheduled meeting of the Board of Recreation and Park Commissioners will be held on Wednesday, September 3, 2014, 9:30 a.m., at EXPO Center, Comrie Hall, 3980 S. Bill Robertson Lane, Los Angeles, CA 90037.

11. ADJOURNMENT:

Under the California State Ralph M. Brown Act, those wishing to make audio recordings of the Commission Meetings are allowed to bring tape recorders or camcorders in the Meeting.

Sign language interpreters, assistive listening devices, or any auxiliary aides and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. For additional information, please contact the Commission Office at (213)202-2640.

Finalization of Commission Actions: In accordance with City Charter, actions that are subject to Section 245 are not final until the expiration of the next five meeting days of the Los Angeles City Council during which the Council has convened in regular session and if Council asserts jurisdiction during this five meeting day period the Council has 21 calendar days thereafter in which to act on the matter.

Commission Meetings can be heard live over the telephone through the Council Phone system. To listen to a meeting, please call one of the following numbers:

|                           |                       |
|---------------------------|-----------------------|
| from Downtown Los Angeles | (213) 621-CITY (2489) |
| from West Los Angeles     | (310) 471-CITY (2489) |
| from San Pedro            | (310) 547-CITY (2489) |
| from Van Nuys             | (818) 904-9450        |

For information, please go to the City's website: <http://ita.lacity.org/ForResidents/CouncilPhone/index.htm>

Information on agenda items may be obtained by calling the Commission Office at (213) 202-2640. Copies of the agenda and reports may be downloaded from the Department's website at [www.laparks.org](http://www.laparks.org).

REPORT OF GENERAL MANAGER

NO. 14-197

DATE: August 13, 2014

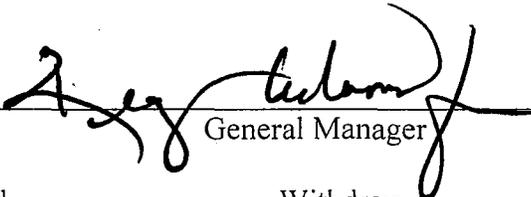
C.D. 1

BOARD OF RECREATION AND PARKS COMMISSIONERS

SUBJECT: ALPINE RECREATION CENTER – ACCEPTANCE OF DONATION FROM  
THE LOS ANGELES CHINATOWN FIRECRACKER RUN COMMITTEE

R. Adams \_\_\_\_\_  
R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_

V. Israel \_\_\_\_\_  
\*K. Regan \_\_\_\_\_  
N. Williams \_\_\_\_\_

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board accept the following donation as noted in the Summary of this Report, and that appropriate recognition is given to the donor.

SUMMARY:

The Los Angeles Chinatown Firecracker Run Committee, Inc. donated \$1,500.00 to the Alpine Recreation Center's Summer Day Camp Program. The funds will be used to help pay for supplies, healthy afternoon snacks, and camp scholarships.

FISCAL IMPACT STATEMENT:

There is no fiscal impact to the Department's General Fund, except for unknown savings, as the donations may offset some expenditures.

This report was prepared by Marcus Chinelo, Clerk Typist, Metro Region.



REPORT OF GENERAL MANAGER

NO. 14-198

DATE August 13, 2014

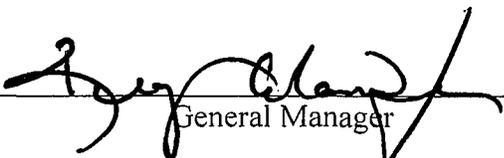
C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: CABRILLO MARINE AQUARIUM – ACCEPTANCE OF DONATION

R. Adams \_\_\_\_\_  
R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_

V. Israel \_\_\_\_\_  
\*K. Regan \_\_\_\_\_  
N. Williams \_\_\_\_\_

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board accept the following donation, as noted in the Summary of this Report, and that appropriate recognition is given to the donor.

SUMMARY:

Lauran Lee donated \$125.00 to assist with educational programs.

FISCAL IMPACT STATEMENT:

There is no fiscal impact to the Department's General Fund, except unknown savings, as the donations may offset some expenditure.

This report was prepared by Louise Maes, Clerk Typist, Pacific Region.



REPORT OF GENERAL MANAGER

NO. 14-199

DATE August 13, 2014

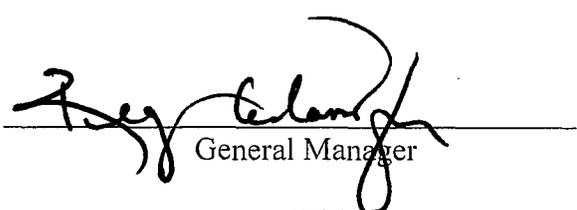
C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EXPO CENTER – DONATION FROM FRIENDS OF EXPO CENTER FOR SUMMER YOUTH JOB CORPS PROGRAM

R. Adams \_\_\_\_\_  
R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_

V. Israel \_\_\_\_\_  
\*K. Regan \_\_\_\_\_  
N. Williams \_\_\_\_\_

  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Accept the following donation from the Friends of Expo Center in the amount of \$49,500.00 for the Summer Youth Job Corps program, and that appropriate recognition is given to the donor; and,
2. Authorize the Chief Accounting Employee to approve and dispense stipend payments to the program's participants.

SUMMARY:

EXPO Center will receive \$49,500.00 from The Friends of Expo Center for the EXPO Center Summer Youth Job Corps program. Funds will be deposited into the EXPO (EPICC) Donation Account for program related expenses and will be used for the sole purpose of paying stipends to 30 interns who participated in the program. Additionally, ten (10) Summer Youth Job Corps interns will be hired for aquatics and stipends will be paid from program donations that have already been deposited into the EXPO donation account.

The EXPO Center Summer Youth Job Corps program is committed to positive youth development by providing healthy alternatives through job and life skills training to teen members at EXPO Center. The program consists of a ten (10) week leadership training course. The forty (40) participants will work a maximum of twenty (20) hours per week and receive a stipend of \$8.25 per hour.

REPORT OF GENERAL MANAGER

PG. 2

NO. 14-199

The Summer Youth Job Corps program focuses on learning about teamwork, building job skills and a strong work ethic, improving leadership skills, learning tolerance of others, and developing a sense of responsibility. Interns will participate and conduct activities in a day camp setting, aquatics, or work in the Exposition Park Rose Garden, as well as gain administrative experience working at EXPO Center special events, the senior center, and the Executive Director's Office. EXPO Center staff will provide supervision and on-the-job-training for all interns.

This is the fifth year that The Friends of Expo Center has provided grant funding to support the EXPO Center's Summer Youth Job Corps program. This year, EXPO Center will be hiring forty (40) interns and the Natural History Museum of Los Angeles County, which has a similar program, will hire an additional ten (10) EXPO Center teens to work at the museum.

FISCAL IMPACT STATEMENT:

Acceptance of this donation has no fiscal impact on the Department's General Fund.

This report was prepared by Belinda Jackson, Executive Director, EXPO Center.

REPORT OF GENERAL MANAGER

NO. 14-200

DATE August 13, 2014

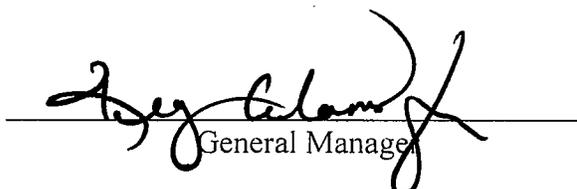
C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EXPO CENTER – DONATION FROM FRIENDS OF EXPO CENTER FOR 2014 SUMMER CAMP SCHOLARSHIPS

R. Adams \_\_\_\_\_  
R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_

V. Israel \_\_\_\_\_  
\*K. Regan \_\_\_\_\_  
N. Williams \_\_\_\_\_

  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board accept the following donation as noted in the Summary of this Report and that appropriate recognition be given to the donor.

SUMMARY:

The Friends of EXPO Center has granted ninety thousand dollars (\$90,000.00) in scholarship assistance for the 2014 Summer Youth Camp Programs at EXPO Center.

The Friends of EXPO Center was established as a 501 (c)(3) organization in 1998 to develop the site of the 1932 Los Angeles Swim Stadium and construct a state-of-the-art recreational and community center. Today, a 31 member volunteer Board comprised of community and business leaders, continues to provide strategic support and financial assistance to EXPO Center. A major goal of The Friends of EXPO Center is to serve low income families in the Exposition Park community by providing scholarship assistance to subsidize all fee-based camp programs. Campers must be residents of the City of Los Angeles to receive this scholarship assistance.

The \$90,000.00 will be used to offer approximately 1,300 camp scholarships to families that complete an application and qualify to receive assistance based on their financial situation. Scholarships are given out on a first come, first served weekly basis, to families that meet the qualifications.

REPORT OF GENERAL MANAGER

PG. 2

NO. 14-200

FISCAL IMPACT STATEMENT:

Acceptance of this donation results in no fiscal impact to the Department's General Fund, except for unknown savings, as donations may offset some expenditures. Without this donation camp attendance would be much lower than the levels we have been able to achieve. The funds will be deposited into the EXPO Center Donation account SP89837M.

This report was prepared by Belinda Jackson, Executive Director, EXPO Center.

REPORT OF GENERAL MANAGER

NO. 14-201

DATE: August 13, 2014

C.D. Various

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PARTNERSHIP DIVISION - DONATION FROM HUMANA IN SUPPORT OF THE 50+ SENIOR CITIZEN PICNIC BY THE SEA EVENT AT POINT FERMIN PARK.

|            |       |             |                      |
|------------|-------|-------------|----------------------|
| R. Adams   | _____ | *V. Israel  | <u>  <i>VI</i>  </u> |
| R. Barajas | _____ | K. Regan    | _____                |
| H. Fujita  | _____ | N. Williams | _____                |

  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Acknowledge a donation from Humana, a State of Kentucky based healthcare provider and insurance company, in the amount of \$65,000.00, provided to the Los Angeles Parks Foundation (LAPF) for the payment of expenses related to the Department of Recreation and Parks (RAP) 50+ Senior Citizen Picnic by the Sea event at Point Fermin Park; and,
2. Direct staff to provide the appropriate recognition to Humana for their generous support.

SUMMARY:

Humana is based in the State of Kentucky, with offices in all fifty (50) states. Humana believes their role goes beyond that of a mere healthcare provider and insurance company, working to be a partner for wellness that empowers their members to live healthy, active, and rewarding lives. Humana has expanded their reach through support of RAP senior centers.

Humana has provided RAP with prior donations in support of RAP in providing senior citizen centers fitness and computer lab classes at six (6) of RAP's senior citizen centers and staff training for twenty-nine (29) of our senior center staff (Report No. 14-058). This current donation in the amount of \$65,000.00, through LAPF, provided funding for the payment of expenses associated with the Picnic, which occurred at Point Fermin Park on Wednesday, June 11, 2014. Over 1300 senior citizens from across the City joined together in a sun filled day of music, dancing, and catered lunch from Marie Callender's Restaurant and Bakery. Any remaining excess funds will be held by LAPF for future Humana sponsored projects.

REPORT OF GENERAL MANAGER

PG. 2                      NO. 14-201

The RAP Operations Branch and the management staff of the Senior Section support the donation, participated in the preparation and performance of the picnic, and concur with staff's recommendations.

FISCAL IMPACT STATEMENT:

Acceptance of this donation results in no fiscal impact to the RAP General Fund, as the Picnic related costs were paid by Humana.

This report was prepared by Joel Alvarez, Senior Management Analyst I and Deanne Dedmon, Recreation Supervisor, Partnership Division.

REPORT OF GENERAL MANAGER

NO. 14-202

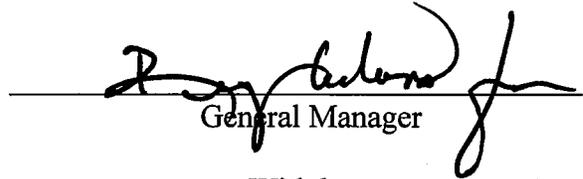
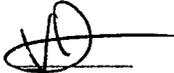
DATE August 13, 2014

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ALGIN SUTTON RECREATION CENTER – DONATION OF BASEBALL FIELD IMPROVEMENTS FROM THE LOS ANGELES DODGERS FOUNDATION

|            |       |             |       |
|------------|-------|-------------|-------|
| R. Adams   | _____ | *V. Israel  | _____ |
| R. Barajas | _____ | K. Regan    | _____ |
| H. Fujita  | _____ | N. Williams | _____ |

  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board accepts a donation from The Los Angeles Dodgers Foundation, Inc. (LADF) consisting of baseball field improvements installed at Algin Sutton Recreation Center, with an estimated value of up to approximately ten thousand dollars (\$10,000.00), and that the donor is recognized for their generosity.

SUMMARY:

LADF has been a long-time supporter of the Department of Recreation and Parks (RAP) through capital funding provided for facility improvements as well as monetary and in-kind contributions to support RAP's recreation programs. LADF, in collaboration with other organizations, has successfully constructed twenty-three (23) Dodger Dreamfields at various RAP sites. On June 11, 2014, the Board approved a gift agreement (Report No. 14-152) for the conversion of an existing baseball field at Leland Park, into RAP's twenty-fourth Dreamfield, which is due to be completed by August 2014.

In preparation for a regional baseball event held July 17 through July 20, 2014, at the existing Dodgers Dreamfield at Algin Sutton Recreation Center, located at 8800 S. Hoover Street, LADF installed new baseball field improvements, as the field was in need of minor field improvements.

The improvements consist of the replacement of infield sod, laser levelling the infield, removing and replacing field fixtures, soil preparation, installing new infield mix, repairing the sprinkler system, pulverizing and tilling outfield soil, and laser levelling the outfield. The value of the field improvements is estimated up to approximately ten thousand dollars (\$10,000.00). LADF contracted directly with Landmark Sports, Inc. (Landmark) to perform the improvements. Landmark has been contracted by LADF in the past to complete the prior Dodger Dreamfield

## REPORT OF GENERAL MANAGER

PG. 2

NO. 14-202

projects. Considering the relatively minor scope and value of the Algin Sutton improvements, as well as the timing requirements, in comparison to prior Dreamfield projects, LADF chose to donate said improvements to the City without any need of a gift agreement.

The Algin Sutton baseball field improvement project was co-managed by Landmark and RAP's Planning, Construction, and Maintenance Branch (PCM). Landmark was issued a Right Of Entry Permit authorizing their access to the project site for the installation of the field improvements.

### ENVIRONMENTAL IMPACT STATEMENT:

Staff has determined that this project involves the improvement of existing facilities and the installation of accessory structures at an established public park. Therefore, the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1a, Class 1, Category 14 and Section 1k, Class 11, Category(s) 3 and 6 of the City CEQA Guidelines.

The Assistant General Manager of the Operations Branch and the Superintendent of the Pacific Region are aware of the project, and each supports the project and concurs with staff's recommendations pursuant to PCM's approval of the project plans and specifications.

### FISCAL IMPACT STATEMENT:

This project will not have any fiscal impact on RAP's General Fund as the cost of the field improvements has been funded and installed entirely through monetary contributions provided by LADF, through direct payments to Landmark. Future maintenance of the improved field will be addressed through RAP's normal budgeting process as this is an existing facility with an existing annual maintenance budget.

This report was prepared by Joel Alvarez, Senior Management Analyst I and Ellen Gaines Varela, Senior Recreation Director I, Partnership Division.

REPORT OF GENERAL MANAGER

NO. 14-203

DATE August 13, 2014

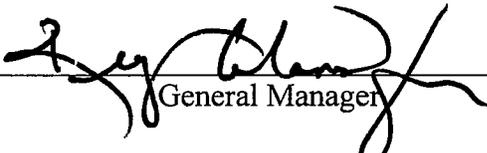
C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GILBERT LINDSAY SYNTHETIC SOCCER FIELD (PRJ20806) – NATIONAL RECREATION AND PARK ASSOCIATION/THE COCA-COLA FOUNDATION FUNDS; ACCEPTANCE OF GRANT FUNDS

R. Adams \_\_\_\_\_  
R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_

\*V. Israel VI  
K. Regan \_\_\_\_\_  
N. Williams \_\_\_\_\_

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Authorize the Department of Recreation and Parks' (RAP) General Manager to accept and receive the National Recreation and Park Association (NRPA)/The Coca-Cola Foundation Active Recreation Sites Program grant in the amount of \$150,000.00 for the Gilbert Lindsay Synthetic Soccer Field (PRJ20806) project, subject to the approval of the Mayor and City Council;
2. Designate RAP's General Manager, Executive Officer, or Assistant General Manager as the agent to conduct all negotiations, execute and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the Gilbert Lindsay Synthetic Soccer Field (PRJ20806) project;
3. Authorize RAP's Chief Accounting Employee to establish the necessary account and/or to appropriate funding received within "Recreation and Parks Grant" Fund 205 to accept the NRPA/The Coca-Cola Foundation grant in the amount of \$150,000.00 for the Gilbert Lindsay Synthetic Soccer Field (PRJ20806) project; and
4. Direct staff to transmit a copy of the grant award to the Mayor, Office of the City Administrative Officer (CAO), Office of the Chief Legislative Analyst (CLA) and to the City Clerk for committee and City Council approval before accepting and receiving the grant award, pursuant to Los Angeles Administrative Code Section 14.6 et seq. as may be amended.

## REPORT OF GENERAL MANAGER

PG. 2

NO. 14-203

### SUMMARY:

In May 2014, the National Recreation and Parks Association (NRPA), a Virginia-based not-for-profit 501(c)3 organization, notified the Department of Recreation and Parks (RAP) that the City of Los Angeles had been selected to receive funding through the Active Recreation Sites Program from The Coca-Cola Foundation, the philanthropic branch of The Coca-Cola Company, supports projects and programs that are most important to local communities around the world and promote healthy living through physical activity and nutrition. The Active Recreation Sites Program funds projects that improve or enhance active recreation sites in public parks.

In collaboration with the NRPA, The Coca-Cola Foundation considered three "in progress" capital projects that met the Active Recreation Sites Program criteria: 1) located within an underserved community that does not have access to a similar activity space; 2) to serve low income youth with limited or no access to areas for active recreation; and 3) able to be completed by March 2015. The following three projects met the program criteria and were considered: Gilbert Lindsay Synthetic Soccer Field, Hollywood Recreation Center - Pool & Pool Building, and Sun Valley Soccer Field.

The Gilbert Lindsay Synthetic Soccer Field project, which consists of the replacement of two (2) synthetic soccer fields, was selected to receive the \$150,000.00 grant. The condition of the heavily used Gilbert Lindsay Recreation Center fields, which are currently closed, is dire and cannot be repaired. This award will supplement the proposed funding, which includes requested Proposition A and Quimby funds, to cover the estimated \$815,000.00 needed to complete the soccer field project. This project is estimated to be completed by December 2014.

### FISCAL IMPACT STATEMENT:

There is no anticipated fiscal impact to RAP's General Fund. The maintenance of the proposed park improvements can be performed by current staff with no overall impact to existing maintenance services.

This report was prepared by Isophine Atkinson, Senior Management Analyst, Grants Administration.

REPORT OF GENERAL MANAGER

NO. 14-204

DATE August 13, 2014

C.D. 12

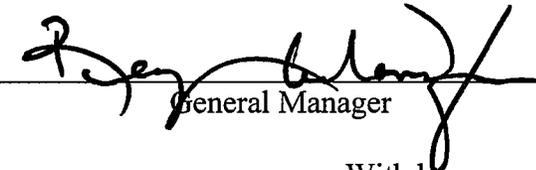
BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: CHATSWORTH PARK SOUTH PLAYGROUND EQUIPMENT PROJECT (PRJ20254) – PROPOSITION A COMPETITIVE EXCESS FUNDS; AUTHORIZATION TO SUBMIT GRANT APPLICATION; ACCEPTANCE OF GRANT FUNDS; CITY COUNCIL RESOLUTION AND YOUTH EMPLOYMENT PLAN

R. Adams \_\_\_\_\_  
R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_

\*V. Israel \_\_\_\_\_  
K. Regan \_\_\_\_\_  
N. Williams \_\_\_\_\_



  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the Department of Recreation and Parks' (RAP) submission of a Proposition A Competitive Excess Funds grant application for the Chatsworth Park South Playground Equipment Project (PRJ20254), which consists of the installation of the playground equipment portion of the outdoor park improvements project;
2. Designate RAP's General Manager, Executive Officer, or Assistant General Manager as the agent to conduct all negotiations, execute and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the Chatsworth Park South Playground Equipment Project;
3. Recommend to the City Council the adoption of the attached Resolution, which authorizes the submission of a grant application for the Proposition A 2015 Competitive Excess Funds grant in an approximate amount of \$300,000.00 from the Fifth Supervisorial District in partnership with the Regional Park and Open Space District of the County of Los Angeles for the Chatsworth Park South Playground Equipment Project;
4. Recommend to the City Council the adoption of the attached Proposition A Youth Employment Plan (YEP), relative to the Chatsworth Park South playground project;

## REPORT OF GENERAL MANAGER

PG. 2

NO. 14-204

5. Authorize RAP's Chief Accounting Employee to establish the necessary account and/or to appropriate funding received within "Recreation and Parks Grant" Fund 205 to accept the Proposition A Competitive Excess Funds grant in an approximate amount of \$300,000.00 for the Chatsworth Park South Playground Equipment Project; and
6. Direct staff to transmit a copy of the Resolution and YEP to the City Clerk for committee and City Council approval, in accordance with Proposition A guidelines.

### SUMMARY:

In June 2014, the Fifth Supervisorial District in partnership with the Regional Park and Open Space District of the County of Los Angeles announced available funding through the 2015 Competitive Excess Funds Grant Program. Eligible projects for this program include the acquisition, development and improvement of at-risk youth recreation and senior service facilities. The grant applications are due by September 3, 2014.

Staff has identified the Chatsworth Park South Playground Equipment Project, which consists of the installation of the playground equipment portion of the outdoor park improvements project, for this grant. The existing playground equipment will be replaced after the completion of lead mitigation work being performed at the site as part of the outdoor park improvements project. If awarded, the \$300,000.00 in Proposition A Competitive Excess Funds will be sufficient to complete the playground equipment portion of the outdoor park improvements project, which is estimated to be completed by March 2016.

In accordance with the Proposition A guidelines, along with the authorizing resolution, a Youth Employment Plan (YEP), which indicates whether or not at-risk youth (ages 14-24) were considered for hire and whether or not at-risk youth (ages 14-24) will be employed in the development of the project, has been completed for this project. With its analysis of the activities necessary for the development of this project, staff has determined that due to the nature of the scope of work for this project, there are no tasks that can be performed by at-risk youth; and therefore, no at-risk youth will be hired for this project.

### FISCAL IMPACT STATEMENT:

At this time, there is no anticipated fiscal impact to RAP's General Fund; however, future maintenance costs have yet to be determined.

This report was prepared by Isophine Atkinson, Senior Management Analyst, Grants Administration.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES  
APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE LOS ANGELES  
COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT  
FOR FIFTH SUPERVISORIAL DISTRICT 2015 COMPETITIVE EXCESS FUNDS AND  
APPROVING THE ADOPTION OF A YOUTH EMPLOYMENT PLAN FOR THE  
CHATSWORTH PARK SOUTH PLAYGROUND EQUIPMENT PROJECT**

WHEREAS, the people of the County of Los Angeles on November 3, 1992, and on November 5, 1996 enacted Los Angeles County Proposition A, Safe Neighborhood Parks, Gang Prevention, Tree-Planting, Senior and Youth Recreation, Beach and Wildlife Protection (the Propositions), which among other uses, provides funds to public agencies and nonprofit organizations in the County for the purpose of acquiring and/or development facilities and open space for public recreation;

WHEREAS, the Propositions also created the Los Angeles County Regional Park and Open Space District (the District) to administer said funds;

WHEREAS, the District has set forth the necessary procedures governing application for grant funds under the Propositions;

WHEREAS, the District's procedures require the City of Los Angeles to certify, by resolution, the approval of the application before submission of said application(s) to the District;

WHEREAS, said application contains assurances that the City of Los Angeles must comply with;

WHEREAS, the City of Los Angeles certifies, through this resolution, that the application is approved for submission to the District;

WHEREAS, the City of Los Angeles will enter into an Agreement with the District to provide funds for acquisition and development projects; and

WHEREAS, the District's procedures require the adoption of a Youth Employment Plan for development projects by the governing body of the agency.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF LOS ANGELES HEREBY:

1. Approves the filing of an application with the Los Angeles County Regional Park and Open Space District for Funds for the above project;
2. Certifies that the City of Los Angeles understands the assurances and certification in the application form;
3. Certifies that the City of Los Angeles has, or will have, sufficient funds to operate and maintain the project in perpetuity;

4. Certifies that the City of Los Angeles will sign and return, within 30 days, both copies of the project agreement sent by the District for authorizing signature;
5. Approves the adoption of a Youth Employment Plan for the project (see attached);  
and
6. Appoints the General Manager, Executive Officer, or Assistant General Manager, Department of Recreation and Parks, to conduct all negotiations, and to execute and submit all documents including, but not limited to, applications, agreements, amendments, payment requests and so forth, which may be necessary for the completion of the aforementioned project.

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Los Angeles at its meeting of \_\_\_\_\_.

HOLLY L. WOLCOTT, Interim City Clerk

By: \_\_\_\_\_

**City of Los Angeles  
Chatsworth Park South Playground Equipment Project  
Grant No. (TBD)**

**YOUTH EMPLOYMENT PLAN**

**Background:**

The City of Los Angeles is using up to \$300,000.00 in Proposition A Competitive Excess Funds from the Safe Neighborhood Parks Propositions for the Chatsworth Park South Playground Equipment Project.

Chatsworth Park South Playground Equipment Project consists of the installation of the playground equipment portion of the outdoor park improvements project.

**Tasks that may be performed by at-risk youth:**

**None.**

**Estimated Cost of Youth Employment:**

Total estimated hours of youth employment on the project: **None.**

Estimated cost per hour: **None.**

Total estimated cost of youth employment: **None.**

**Method of Youth Employment:**

Due to the nature of the project and requirement of skilled labor, the City of Los Angeles will not employ local at-risk youth (Ages 14-24) on the project.

**Youth Employment Goal:**

Under the provisions of the Los Angeles County Regional Park and Open Space District's policy on employment of at-risk youth, the Proposition A Youth Employment Goal (YEG) of the City of Los Angeles is \$12,188,486.00 (equal to fifty percent of the City of Los Angeles's Maintenance and Servicing funds allocations from the 1992 (A-I) and 1996 (A-II) Propositions). To date, the City has received credit for employing at-risk youth totaling \$15,628,838.00 in youth labor wages paid and has satisfied its Proposition A At-Risk Youth Employment obligation.



REPORT OF GENERAL MANAGER

NO. 14-205

DATE August 13, 2014

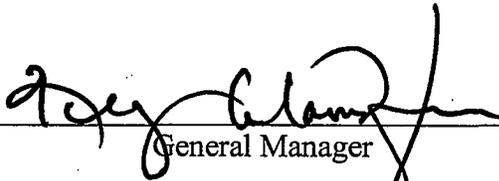
C.D. All

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: AUTOMATED GOLF AND TENNIS RESERVATION SYSTEM – AMENDMENT  
NO. 2 TO AGREEMENT NO. 246 WITH US eDIRECT, INC., DBA US eGOLF

R. Adams \_\_\_\_\_  
R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_

V. Israel \_\_\_\_\_  
K. Regan \_\_\_\_\_  
\*N. Williams NW

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the proposed Second Amendment to Agreement No. 246, substantially in the form on file in the Board Office, to (1) extend the term of the contract for one (1) year, from November 4, 2014 to November 3, 2015, with two (2) one-year renewal options, thereafter exercisable, if necessary, at the sole discretion of the General Manager; (2) expand the scope of work; and, (3) increase the contract amount by One Hundred Thirty-one Thousand, Nine Hundred Ninety Dollars and Forty-eight cents (\$131,990.48) for the amendment renewal period, which includes Eight Thousand Two Hundred Dollars (\$8,200.00) in miscellaneous repair parts, hardware and optional module expenses, and by an additional One Hundred Thirty-one Thousand, Nine Hundred Ninety Dollars and Forty-eight cents (\$131,990.48) for each renewal option period if exercised, subject to the approval of the Mayor, in accordance with Executive Directive No. 3, and the City Council, and the City Attorney as to form;
2. Approve the addition of one (1) pay tennis facility, located at the Poinsettia Recreation Center, to the Agreement and allow the one-time only transfer of City Pay Tennis Reservation Cards to the existing pre-paid cardholders of Poinsettia Pay Tennis Reservation Cards at no charge;
3. Find, in accordance with Charter Section 1022, that the Department does not have sufficient personnel available in its employ to undertake these specialized professional tasks and that it is more feasible to secure these services by contract (Pursuant to Charter Section 1022, see attached Personnel Department Contract Review Report, dated April 25, 2014);

## REPORT OF GENERAL MANAGER

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4. Find, in accordance with Charter Section 371(e)(10) and Los Angeles Administrative Code Section 10.15(a)(10), that in order to provide continued uninterrupted service to the public and avoid a revenue shortfall, a competitive bidding process is not practicable or advantageous at this time, as, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by the Department for the provision of an automated golf and tennis reservation system.
5. Find, in accordance with Charter Section 372, that obtaining competitive proposals or bids for work to be performed pursuant to this Second Amendment to Agreement No. 246 is not reasonably practicable or compatible with Department's interests of offering automated golf and tennis reservation services to the public while the Department conducts a formal RFP process;
6. Direct the Board Secretary to transmit the proposed Amendment, to the Mayor in accordance with Executive Directive No. 3, and the City Attorney for approval as to form;
7. Authorize the Board President and Secretary to execute the Amendment upon receipt of necessary approvals. and,
8. Authorize the Department to make technical corrections as necessary to implement the Board's intentions.

### SUMMARY:

The City of Los Angeles Department of Recreation and Parks (Department) owns and operates the largest municipal golf system in the United States, consisting of a total of thirteen (13) golf courses, comprising seven (7) 18-hole championship courses, one (1) 9-hole regulation course, two (2) executive 9-hole courses, two (2) 9-hole pitch and putt courses, and one (1) 18-hole pony course. The Department also operates one (1) junior golf learning center. The Department's courses are open for play, conditions permitting, three hundred sixty-five (365) days a year, from dawn to dusk.

The Automated Golf and Tennis Reservation System (AGTRS) is used at the Department's seven (7) 18-hole golf course facilities: Sepulveda Golf Complex (Encino/Balboa Golf Courses), Griffith Park Golf Complex (Wilson/Harding Golf Courses), Hansen Dam Golf Course, Rancho Park Golf Course, and Woodley Lakes Golf Course. AGTRS is also used at three (3) of the Department's 9-hole golf courses: Harbor Park, Penmar and Roosevelt. The AGTRS has been expanded to include two (2) additional sites: the Los Feliz Pitch and Putt Course and the Rancho Park 9-hole course. The AGTRS is also in use at eight (8) pay tennis facilities citywide, from Balboa Park in the Valley to the Palisades Recreation Center near the ocean to courts in and near Griffith Park.

## REPORT OF GENERAL MANAGER

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On April 7, 2004, US eDirect, Inc., dba US eGolf (Contractor) was awarded Agreement No. 246 (Board Report No. 04-110). The contract (Agreement No. 246) was executed on November 4, 2004 for five (5) years expiring November 3, 2009 with a five (5) year renewal option. The amount of the contract was Three Hundred Eighty-Eight Thousand Eight Hundred Dollars (\$388,800.00). The purpose of this Agreement was to provide a state-of-the-art automated golf and tennis reservation service system. The services for the AGTRS included: delivery and installation of all software; specifications for all necessary hardware; training and system support; and, system maintenance at the golf and pay tennis locations.

On June 18, 2008, the first amendment to Agreement No. 246 (Board Report No. 08-175) was approved to exercise the five (5) year renewal option, extending the contract from November 4, 2009 through November 3, 2014, expand the scope of work, and increase the total contract amount from Three Hundred Eighty-Eight Thousand Eight Hundred Dollars (\$388,800.00) to Nine Hundred Eighty-Seven Thousand Five Hundred Eighty Dollars and Ninety-six cents (\$987,580.96).. The Department advanced the capabilities of the system by adding components which provided greater services to the community and increased functionality to the Department. The expansion provided on-line tee time reservations and credit card guaranteed reservations for non-cardholder golf patrons via the Internet seventy-two (72) hours in advance.

On October 3, 2008, the City and the Contractor agreed to an Amendment to the Agreement for the purposes of extending the term of the Agreement, expanding the capabilities of the former system through conversion to a distributed system with sound verification tools, to provide on-line tee time reservations, and to provide credit card guaranteed reservations for non-card holders and to amend Exhibit B, Fee Schedule, of the Agreement.

Agreement No. 246 is due to expire on November 3, 2014. Due to the continued need of the services provided by the Contractor and the time required for a Request for Proposals (RFP) process for a new contract for AGTRS, staff recommends approval of the proposed amendment: (1) extending the term of the Agreement; (2) adding E-range ball dispenser software and its integration with the existing Point-of-Sale (POS) system for the golf facilities, ensuring the recording of range ball sales transactions and adding golf marketing software; (3) increasing the scope of services by providing credit card payment capabilities at all pay tennis facilities which provides an additional payment option for tennis patrons; (4) adding one (1) pay tennis facility (Poinsettia Recreation Center) to the system; (5) transfer City Pay Tennis Reservations Cards to the pre-paid Poinsettia Pay Tennis Reservation cardholders; and, (6) increasing the total contract amount. The details of these changes are as follows:

1. Extend the expiration date from November 3, 2014 to November 3, 2015, with two (2) one-year renewal options, if necessary, exercisable at the sole discretion of the General Manager, subject to earlier termination by the Department as provided in the Standard Provisions for City Contracts (Rev. 3/09), Attachment 1 of Exhibit A of the Agreement. The

## REPORT OF GENERAL MANAGER

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NO. 14-205

two (2) one-year renewal options provide the Department additional time, if needed, to complete the RFP process for the AGTRS, which is a complex and technical system. This flexibility will ensure that there will be no lapse in services to golf and tennis patrons.

2. Add one (1) pay tennis facility at the Poinsettia Recreation Center in accordance with the Second Supplement to amended Exhibit B, attached to the Amendment.
3. Increase the total compensation of the Agreement by One Hundred Thirty-One Thousand, Nine Hundred Ninety Dollars and Forty-Eight cents (\$131,990.48), as provided in the Second Supplemental to the Amended Exhibit B, to an amount not to exceed One Million, One Hundred Nineteen Thousand, Five Hundred Seventy- One Dollars and Forty-Four cents (\$1,119,571.44) for the amendment extension period, and increase the total compensation of the Agreement by One Hundred Thirty-One Thousand, Nine Hundred Ninety Dollars and Forty-Eight cents (\$131,990.48) to an amount not to exceed One Million, Two Hundred Fifty-One Thousand, Five Hundred Sixty-One Dollars and Ninety-Two cents (\$1,251,561.92) if the first renewal option is exercised and by One Hundred Thirty-One Thousand, Nine Hundred Ninety Dollars and Forty- Eight cents (\$131,990.48) to an amount not to exceed One Million, Three Hundred Eighty-Three Thousand, Five Hundred Fifty-Two Dollars and Forty cents (\$1,383,552.40) if the second renewal option is exercised.

There is also Eight Thousand Two Hundred Dollars (\$8,200.00) included in the amendment budget for miscellaneous repair parts, hardware and optional items, such as, a Player Incentive Module, which allows for a golfers loyalty program by tracking frequent players and assigning incentives. As the AGTRS equipment ages, equipment failures are likely to increase and the funding is necessary to ensure continuity of service.

4. Transfer, for one (1) time only, City Pay Tennis Reservation Cards to the approximately three hundred (300) pre-paid Poinsettia Pay Tennis Reservation cardholders at no charge. The newly transferred Poinsettia Pay Tennis Reservation cardholders will pay the Department to play on pay tennis courts instead of the former Poinsettia Recreation Center tennis professional concessionaire. Steven and Maurica Katz operated the Pay Tennis Reservation System at the Poinsettia Recreation Center as a concession until January 2, 2014. During the past two (2) years, approximately three hundred (300) reservation cards were sold and issued to pay tennis patrons. The reservation cards have varying expiration dates. By transferring the existing reservation cards from the Poinsettia Pay Tennis Reservation System to the City Pay Tennis Reservation System, tennis patrons would not pay twice for the same benefits. It is estimated that the Department would forgo approximately Four Thousand, Five Hundred Dollars (\$4,500) to Five Thousand Dollars (\$5,000) in revenue by approving these one-time only transfers. However, the Department will receive the court reservation fees no longer collected by the concessionaire and all of the revenue from reservation card renewals, which will increase income in future years.

REPORT OF GENERAL MANAGER

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NO. 14-205

Charter Section 1022 Determination

Los Angeles City Charter Section 1022 prohibits contracting out work that could be done by City employees unless the Board determines it is more economical and/or feasible to contract out the service.

On April 25, 2014, the Personnel Department completed a Charter Section 1022 review and determined that the City classifications of Systems Aide and Systems Analyst can perform some of the work requested. The existing contract provided for the installation and subsequent support of AGTRS since the Department did not have the necessary staff or expertise available to accomplish the work in 2004 or at the time of the first amendment to the Agreement in 2008 when the system was upgraded. The Department still has no positions budgeted to provide the technical support necessary to ensure that AGTRS is properly maintained. The second amendment expands the scope of services benefitting golf and tennis patrons and extends the time of performance. The Department continues to lack the appropriate expertise and experience to perform the work in its entirety. The Contractor currently employs staff with the necessary expertise and experience with the existing system in order to perform the required services. Therefore, it is more feasible to contract out the services to ensure the needs of the public are met in a timely and efficient manner.

Funding is provided in the Automated Golf and Tennis Reservation Account (Fund 302, Department 89, Account No. SP850KTN) and Golf Operations (Fund 302, Department 52H, Account 89G401). It is anticipated that revenues to these accounts will increase with the added program features of the amendment. The Golf Division has reviewed the amendment and recommends approval by the Board.

FISCAL IMPACT STATEMENT:

Approval of this Second Amendment to Agreement No. 246 positively impacts the Department's General Fund. As revenue increases, deposits to the Department's General Fund will also increase.

This report was prepared by Mark Stipanovich, Management Analyst II, Concessions Unit, Finance Division.



REPORT OF GENERAL MANAGER

NO. 14-206

DATE August 13, 2014

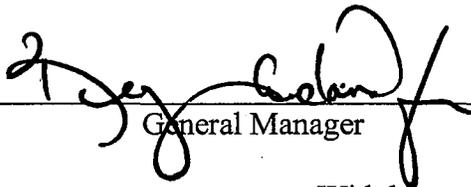
C.D. 5

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: POINSETTIA RECREATON CENTER TENNIS PROFESSIONAL CONCESSION – RESCISSION OF AWARD OF POINSETTIA RECREATON CENTER TENNIS PROFESSIONAL CONCESSION AGREEMENT TO STEVEN AND MAURICA KATZ; AWARD OF INTERIM CONCESSION AGREEMENT TO LA TENNIS INCORPORATED

R. Adams \_\_\_\_\_  
R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_

V. Israel \_\_\_\_\_  
K. Regan \_\_\_\_\_  
\*N. Williams NW

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Rescind the award of the Poinsettia Recreation Center Tennis Professional Concession to Steven and Maurica Katz, dba Poinsettia Tennis Center, for the operation and maintenance of the Poinsettia Recreation Center Tennis Professional Concession (General Manager’s Report No. 13-097);
2. Direct staff to return the Two Thousand Dollars (\$2,000.00) proposal deposit to Steven and Maurica Katz, the sole proposer in the 2011 Poinsettia Recreation Center Tennis Professional Concession Request for Proposals (ARS-T11-01) process;
3. Approve a proposed Interim Concession Agreement between the City of Los Angeles Department of Recreation and Parks (Department) and LA Tennis Incorporated, (Concessionaire), substantially in the form on file in the Board Office, for the operation and maintenance of the Poinsettia Recreation Center Tennis Professional Concession for a term of one (1) year with two (2) one-year extension options, exercisable at the General Manager’s sole discretion, subject to the approval of the Mayor and of the City Attorney as to form;

REPORT OF GENERAL MANAGER

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4. Find, in accordance with Charter Section 1022, that the Department does not have personnel available in its employ with the expertise to undertake these specialized professional tasks and that it is more feasible and more economical to secure these services by contract than by employees. (Pursuant to Charter Section 1022, see attached Personnel Department Contract Review Report, dated June 13, 2014);
5. Find, in accordance with Charter Section 371(e)(10) and Los Angeles Administrative Code Section 10.15(a)(10), that in order to provide continued, uninterrupted service to the public and avoid a revenue shortfall, a competitive bidding process is not practicable or advantageous at this time, and that it is therefore in the City's best interest to enter into an Interim Concession Agreement until the completion of a formal Request of Proposals (RFP) process when a multi-year agreement can be executed;
6. Find, in accordance with Charter Section 372, that obtaining competitive proposals or bids for work to be performed pursuant to this Agreement is not reasonably practicable or compatible with the Department's interests of offering tennis lessons and tennis professional shop services to the public while the Department conducts a formal RFP process;
7. Direct the Board Secretary to transmit the proposed Interim Concession Agreement with LA Tennis Incorporated, to the Mayor in accordance with Executive Directive No. 3, and to the City Attorney for approval as to form;
8. Authorize the Board President and Secretary to execute the Agreement upon receipt of the necessary approvals; and,
9. Authorize the Department to make technical changes as necessary to implement the Board's intentions.

SUMMARY:

The Poinsettia Recreation Center Tennis Professional Concession (Concession) is located at the Poinsettia Recreation Center, 7341 Willoughby Avenue, in Hollywood which is home to eight (8) lighted tennis courts. The Concession offers tennis lesson services on Courts Number 1 and 2, which are fenced and separate from the other six (6) courts, and operates a small tennis professional shop providing tennis related merchandise and services, as well as snack foods and beverages for sale.

A Pay Tennis Reservation System (Pay Tennis) operates on the other six (6) courts, Numbers 3 through 8, where tennis patrons pay the Department to play tennis on public courts.

## REPORT OF GENERAL MANAGER

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The Poinsettia Recreation Center Tennis Professional Concession RFP (ARS-T11-01) process began in 2011 and concluded with the award of a long-term concession agreement by the Board of Recreation and Park Commissioners (Board) on April 17, 2013 (General Manager's Report No. 13-097) to Steven and Maurica Katz. On August 8, 2013, Steven and Maurica Katz, the long-term tennis professional concessionaire at the Poinsettia Recreation Center, requested that the Department not execute the Concession Agreement due to personal reasons. The last day of business for Steven and Maurica Katz was March 31, 2014.

Staff recommends that the Board rescind the award to Steven and Maurica Katz and return the Two Thousand Dollar (\$2,000.00) proposal deposit to the sole proposer, who had been awarded the Concession Agreement.

### Interim Permit

On March 25, 2014, an interim concession permit between the Department and LA Tennis Incorporated for the operation of the Poinsettia Recreation Center Tennis Professional Concession was executed.

Under the interim tennis professional concession permit, the current operator, LA Tennis Incorporated, has been providing quality service to the community since April 1, 2014. LA Tennis Incorporated also operates the Griffith Riverside and Vermont Canyon Tennis Professional Concessions for the Department. To date, LA Tennis Incorporated has performed in a responsible manner, submitting monthly concession remittance advices and working towards replicating revenue levels of the previous concessionaire.

### Concession Agreement

The Board's approval of the award of a one (1) year interim concession agreement, with two (2) one (1) year extension options, exercisable at the General Manager's sole discretion, to LA Tennis Incorporated, will allow the concessionaire the exclusive right and obligation to staff, equip, and operate the tennis professional concession offering tennis lessons and tennis merchandise and services out of a tennis professional shop to the public until completion of a formal RFP process when a multi-year agreement can be executed.

Staff will develop and, with approval from the Board, release an RFP for this concession. With the RFP, the Department will seek a qualified, experienced, and financially sound operator who will meet or exceed the Department's expectations in all operational and financial areas, and optimize service to the public and profitability to the business.

The Concessionaire will offer individual and group tennis lessons and tennis related goods and services, with snack food and beverages for sale in the tennis professional shop. The hours of

## REPORT OF GENERAL MANAGER

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operation will be daily from 7:00 a.m. to 10:00 p.m., except it will be closed on holidays as specified in the agreement.

The Concessionaire shall pay a monthly revenue share of twelve percent (12%) of gross receipts from tennis lessons and twelve percent (12%) of gross receipts from sales and services from the tennis professional shop. The twelve percent (12%) rate for each category was originally proposed by Steven and Maurica Katz in their 2011 RFP (ARS-T11-01) proposal for the Concession and accepted by the Department when the Board awarded the proposed Concession Agreement to the Katzes (Board Report No. 13-097). LA Tennis Incorporated has agreed to pay the twelve percent (12%) revenue share for both categories, tennis lessons and tennis pro shop sales and services.

The minimum annual revenue sharing payment for this Concession is Fifteen Thousand Dollars (\$15,000.00). If the total rent paid after each twelve (12) month period is less than Fifteen Thousand Dollars (\$15,000.00), the Concessionaire will remit the difference to the Department.

### Charter Section 1022 Determination

Los Angeles City Charter Section 1022 prohibits contracting out work that could be done by City employees unless the Board determines it is more economical and/or feasible to contract out the service.

On June 13, 2014, the Personnel Department completed a Charter Section 1022 review and determined that there are some City classifications that can perform some of the work requested. However, the report stated that there are no City classifications that include duties to provide tennis instruction or manage and operate a professional tennis shop. In addition, the tennis instructors must be certified by the United States Professional Tennis Association. The Department continues to lack the appropriate expertise and experience to perform the work in its entirety. The Contractor currently employs staff with the necessary expertise and experience with the existing system in order to perform the required services. Therefore, it is more feasible to contract out the services to ensure the needs of the public are met in a timely and efficient manner.

### FISCAL IMPACT STATEMENT:

During the one (1) year term of this concession agreement, the Department will receive a minimum of Fifteen Thousand Dollars (\$15,000.00) in revenue share. Of that amount, ninety percent (90%), Thirteen Thousand Five Hundred Dollars (\$13,500.00) will be deposited into the Department's General Fund, Fund 302, Dept. 88, Account 4150 and ten percent (10%), One Thousand Five Hundred Dollars (\$1,500.00) will be deposited into the Concession Improvement Account, Fund 302, Dept. 89, Account SP070K00.

REPORT OF GENERAL MANAGER

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NO. 14-206

This report was prepared by Mark Stipanovich, Management Analyst II, Finance Division, Concessions Unit.



## PERSONNEL DEPARTMENT CONTRACT REVIEW REPORT

1. Requesting Department: Recreation and Parks

2. Contacts:

Department: Mark Stipanovich Phone No. 213-202-4304

CAO: Jay Shin Phone No. 213-473-7559

3. Work to be performed:

The Department of Recreation and Parks is seeking a contractor to operate the Professional Tennis Concession at the Poinsettia Recreation Center. The contractor will provide professional tennis instruction (private and group lessons), and tennis-related services such as racquet stringing. The contractor will also operate the professional tennis shop offering tennis related merchandise and snacks and drinks for sale.

Is this a contract renewal? Yes  No

4. Proposed length of contract: One year, with two one-year renewal options

Start Date: June 2014

6. Proposed cost of contract (if known): Unknown (may generate revenue)

7. Name of proposed contractor: To be determined

8. Unique or special qualifications required to perform the work:

The contractor must have knowledge of the rules and regulations of the game of tennis; the ability to provide tennis instruction to the general public (all instructors must be certified by the United States Professional Tennis Association); experience in providing related services such as racquet stringing; and experience in operating a professional tennis shop.

9. Are there City employees that can perform the work being proposed for contracting?

Yes  No

If yes,

a. Which class (es) and Department(s):

b. Is there sufficient Department staff available to perform the work? Yes  No

c. Is there a current eligible list for the class(es)? Yes  No  Expiration Date

d. Estimated time to fill position(s) through CSC process?

e. Can the requesting department continue to employ staff hired for the project after project completion? Yes  No

f. Are there City employees currently performing of the work? Yes  No

10. Findings

City employees DO NOT have the expertise to perform the work

City employees DO have the expertise to perform work. (Please see summary below.)

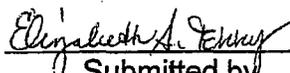
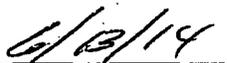
Check if applicable (explanation attached) and send to CAO for further analysis

Project of limited duration would have to layoff staff at end of project

- Time constraints require immediate staffing of project
- Work assignment exceeds staffing availability

**SUMMARY:**

Recreation and Parks is seeking a contractor to operate the tennis concession at the Poinsettia Recreation Center including offering tennis instruction and running the professional tennis shop. There are some City classifications that may perform some of the work. However, there are no City classifications that include tennis instruction as part of their duties, or that provide overall expertise in managing and operating a professional tennis shop. The instructors must be certified by the United States Professional Tennis Association. The concession generates an estimated \$50,000 over a three-year period in revenue to the City.

|   |   |  |   |
|---|---|--|---|
|  |  |  |  |
| Submitted by  | Reviewed by   | Approved by  | Date  |
| Elizabeth A. Terry  | Don Harrahill   | Raul Lemus   |   |
| Sr. Personnel Analyst I   | Sr. Personnel Analyst II  | Chief Personnel Analyst  |   |

REPORT OF GENERAL MANAGER

NO. 14-207

DATE August 13, 2014

C.D. 7

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: HANSEN DAM RECREATIONAL AREA – APPROVAL OF NAMING THE CHILDREN’S CAMPGROUND IN HONOR OF OTIS WALLACE

|                        |           |             |       |
|------------------------|-----------|-------------|-------|
| R. Adams               | _____     | V. Israel   | _____ |
| <i>for</i> *R. Barajas | <i>CB</i> | K. Regan    | _____ |
| H. Fujita              | _____     | N. Williams | _____ |

*[Signature]*  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

1. That the Board grant approval to name the children’s campground in the Hansen Dam Recreational Area, as the Otis Wallace Children’s Campground, in honor of Mr. Otis Wallace; and,
2. Authorize the installation of appropriate park signage.

SUMMARY:

Hansen Dam Recreation Area (Hansen Dam) is located at 11770 Foothill Boulevard, in the Lake View Terrace community. This is a 1449.54 acre Regional Park which includes features such as an aquatic center, soccer fields, baseball fields, equestrian center, bicycle path, equestrian trails, golf course, skate park and ranger station among others. The Department of Recreation and Parks (Department) has constructed a Children’s Campground which is scheduled to open soon.

Council District 7 has introduced a motion (13-0760) requesting that the Board name the Children’s Campground in honor of Mr. Otis Wallace. Mr. Otis Wallace was a ranch owner who lived near Hansen Dam. For several decades Mr. Otis offered free horse rides to the youth of Los Angeles and eventually partnered with RAP to offer horse riding and care education and experiences as part of the Wonderful Outdoor World program. Mr. Wallace also operated a rental stable and would give tours on horseback through Hansen Dam. His tours often crossed over the new campground that now will offer a camping and outdoor experience to the next generations of urban youth.

REPORT OF GENERAL MANAGER

PG. 2

NO. 14-207

Staff has evaluated the proposed naming and finds it to be in compliance with the Board adopted Policy, Procedures and Guidelines for Parks and Recreational Facilities as there is a direct nexus between the service Mr. Wallace gave to the youth of the City of Los Angeles, the Hansen Dam location and the Wonderful Outdoor World program.

Fabrication and installation of the sign will be the responsibility of the Department.

Council District 7, the Lakeview Terrace Park Advisory Board, the Department management and staff are in support with the recommendations as set forth by RAP.

Staff has determined that the subject project is exempt from provisions of the California Environmental Quality Act (CEQA), pursuant to Article III, Section 1, Class 11 (1), of the City CEQA guidelines, which provides for placement of signs on park property as accessory structures to recreational facilities.

FISCAL IMPACT STATEMENT:

Fiscal impact to the Department will be approximately \$6,000.00 as this is the typical fabrication cost for a standard park sign. Fabrication cost will be paid from Fund/Department/Account 302/88/3160.

This report was prepared by Melinda Gejer, City Planning Associate, Planning, Construction and Maintenance Branch.

REPORT OF GENERAL MANAGER

NO. 14-208

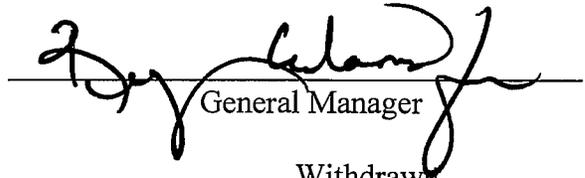
DATE August 13, 2014

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ROSECRANS RECREATION CENTER - SPORTS FIELDS IMPROVEMENTS AND STORMWATER ENHANCEMENTS (W.O. #E170425F) - RELEASE OF STOP PAYMENT NOTICE ON CONSTRUCTION CONTRACT NO. 3360

|                                  |                   |
|----------------------------------|-------------------|
| <i>fur</i> R. Adams _____        | V. Israel _____   |
| *R. Barajas <u>C&amp;P</u> _____ | K. Regan _____    |
| H. Fujita _____                  | N. Williams _____ |

  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board accept the following request for Release of Stop Payment Notice.

SUMMARY:

RELEASE OF STOP NOTICE:

The Department is in receipt of a Release of Stop Payment Notice filed by the claimant below, which releases the Board from any and all liability for withholding funds from the general contractors or the sureties:

|   |                     |   |  |
|---|---------------------|---|--|
| <u>Contract 3360</u>  | CD 15               |   |  |
| Rosecrans Recreation Center - Sports Fields Improvements and Stormwater Enhancements (W.O. #E170425F) | General Contractor: | Horizons Construction International, Inc. |  |
| Project Status: Construction  | Claimant:           | Landmark Fence Co., Inc.                  |  |
| Project Impact: none  | Amount:             | \$66,769.81                               |  |

FISCAL IMPACT STATEMENT:

The release of funds does not impact the contract amount, and therefore, approval of the release will have no impact on the Department's General Fund.

This report was prepared by Tanzi Cole, Commission Executive Assistant I.



REPORT OF GENERAL MANAGER

NO. 14-209

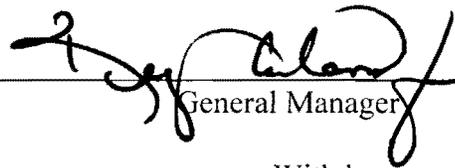
DATE August 13, 2014

C.D. 6 and 8

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SOUTHEAST VALLEY ROLLER AND SKATEBOARD RINK (W.O. #E170125D); ST. ANDREWS RECREATION CENTER – OUTDOOR SPORTS DEVELOPMENT (W.O. #E1700302F); MID-VALLEY INTERGENERATIONAL MULTIPURPOSE CENTER (W.O. #E170239F) – ACCEPTANCE OF STOP PAYMENT NOTICES ON CONSTRUCTION CONTRACTS

|            |                        |                   |
|------------|------------------------|-------------------|
| <i>fur</i> | R. Adams _____         | V. Israel _____   |
|            | *R. Barajas <u>CSD</u> | K. Regan _____    |
|            | H. Fujita _____        | N. Williams _____ |

  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board direct staff to withhold the amounts claimed in the following Stop Payment Notice, plus an additional sum equal to 25% thereof, to defray any costs of litigation in the event of court action, if said amount of said funds are available, and to notify contractors, sureties, and other interested parties that the amount of said claims plus 25% will be withheld.

STOP PAYMENT NOTICES:

The Department is in receipt of a legal notice to withhold construction funds, pursuant to California Civil Code Sections 8044, 9100, 9350, 9352, and 9354 on the following contract:

|   |      |                     |                                       |
|---|------|---------------------|---------------------------------------|
| <u>Contract 3387</u>  | CD 6 | General Contractor: | California Landscape and Design, Inc. |
| Southeast Valley Roller and Skateboard Rink – Phase I (Skateboard Rink/Skatepark) Project (W.O.#E170125D) |      | Claimant:           | Creative Recreational Systems, Inc.   |
| Project Status: Construction  |      | Amount:             | \$18,613.32                           |
| Project Impact: none  |      |                     |                                       |

REPORT OF GENERAL MANAGER

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NO. 14-209

Contract 3446      CD 8

St. Andrews Recreation Center – Outdoor Sports  
Project Development (W.O #E1700302F)  
Project Status: Construction  
Project Impact: none

General      Pima Corporation dba  
Contractor:      Advanced Construction  
Claimant:      McWil Sports Surfaces, Inc.  
Amount:      \$136,108.00

Contract 3442      CD 6

Mid-Valley Intergenerational Multipurpose Center  
Project (W.O #E170239F)  
Project Status: Construction  
Project Impact: none

General      Mallcraft Inc.  
Contractor:  
Claimant:      Dustin Smith Equipment Inc.  
Amount:      \$33,494.00

RELEASE OF STOP PAYMENT NOTICE:

The Department is in receipt of Release of Stop Payment Notice filed by the claimant below, which releases the Board from any and all liability for withholding funds from the general contractors or the sureties:

Contract 3442      CD 6

Mid-Valley Intergenerational Multipurpose Center  
Project (W.O #E170239F)  
Project Status: Construction  
Project Impact: none

General      Mallcraft Inc.  
Contractor:  
Claimant:      Dustin Smith Equipment Inc.  
Amount:      \$30,134.30

FISCAL IMPACT STATEMENT:

Acceptance of Stop Payment Notices has no impact on the Department's General Fund.

This Report was prepared by Tanzi Cole, Commission Executive Assistant I.



## REPORT OF GENERAL MANAGER

PG. 2                      NO. 14-210

- C. All environmental assessments, Phase I, and Phase II if needed, will have been completed and satisfied prior to close of escrow;
- D. Class "A" Appraisal will have been prepared and approved by GSD; and,
- E. The Department of General Services will have negotiated a purchase price that is consistent with their professional opinion of market value.

### SUMMARY:

RAP, with the support from Councilmember for the 12th District, is considering the acquisition of the parcel identified by the Los Angeles County Assessor's Parcel Number (APN): 2706-011-001 located at 10650 De Soto Avenue, Los Angeles, CA 91311 (Exhibit A). The parcel measures approximately 66,426 square feet or 1.52 acres. The property consists of one corner lot at the intersection of Chatsworth Street and De Soto Avenue. RAP is interested in acquiring the property on the intersection of Chatsworth Street and De Soto Avenue for the development of a passive use park and to expand the recreational activities in the area. The site is also known as the Chatsworth and De Soto Pocket Park Project. The proposed acquisition could provide more recreational space for the surrounding community. The GSD, Asset Management Division, will provide a Class "A" appraisal of estimate of value for the property. There are funds available for the acquisition of the site.

The California Environmental Quality Act (CEQA) and the Phase I Environmental Site Assessment are currently being completed. Both the CEQA and the Phase I Environmental Site Assessment will be completed and made available for review prior to making a determination on the possibility of acquiring this property.

This project has the support from Council District 12. In addition, the Assistant General Manager of Planning, Construction and Maintenance Branch has been consulted and concurs with staff's recommendations.

### FISCAL IMPACT STATEMENT:

Approval of the acquisition and the proposed improvements will increase RAP's maintenance cost. Projected Operating Costs in 2012 were estimated to be \$17,672. RAP staff will update costs and will request a budget increase through the standard budget process.

This Report was prepared by John Barraza, Management Analyst II, Real Estate and Asset Management.

REPORT OF GENERAL MANAGER

NO. 14-211

DATE August 13, 2014

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

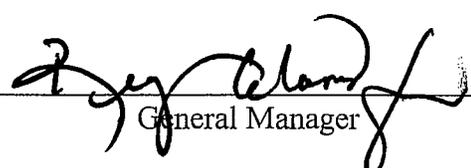
SUBJECT: CENTRAL RECREATION CENTER – POOL AND BATHHOUSE RENOVATION (PRJ20251) (W.O. #E1907620) PROJECT – APPROVAL OF FINAL PLANS AND CALL FOR BIDS

for

R. Adams  
\*R. Barajas  
H. Fujita

CSD  
\_\_\_\_\_  
\_\_\_\_\_

V. Israel \_\_\_\_\_  
K. Regan \_\_\_\_\_  
N. Williams \_\_\_\_\_

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the demolition and removal of the existing 6,570 square-foot swimming pool and other site elements by the Department of Public Works, Bureau of Engineering;
2. Approve the final plans and specifications, substantially in the form on file in the Board Office, for the Central Recreation Center – Pool and Bathhouse Renovation (PRJ20251) (W.O.#E1907620) project;
3. Approve the date to be advertised for receipt of bids as Tuesday, September 23, 2014 at 3:00 P.M. in the Board Office; and,
4. Find that the actions taken by the Board herein are exempt from the California Environmental Quality Act (CEQA).

SUMMARY:

Submitted for the Board's approval are the final plans and specifications of the Central Recreation Center – Pool and Bathhouse Renovation (PRJ20251) (W.O. #E1907620) project, located at 1357 East 22<sup>nd</sup> Street, Los Angeles, California, 90011. The plans and specifications were prepared by the Department of Public Works, Bureau of Engineering (BOE), Architectural Division, in conjunction with the design consultant, Lehrer Architects. Staff from BOE and the design consultant completed all necessary plans and approvals to ensure the project meets the most current code standards.

## REPORT OF GENERAL MANAGER

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The proposed scope for this project includes the following:

1. Demolition of the existing 6,570 square-foot swimming pool by a separate contract.
2. Construction of a new 6,300 square-foot swimming pool.
3. Renovation of the existing bathhouse, including Americans with Disabilities Act improvements.

The Central Recreation Center pool was damaged during the 1994 Northridge Earthquake and was in-and-out of service until it finally closed in 2004. The bathhouse was originally constructed in 1970. The bathhouse has never been remodeled and it is no longer serviceable. The Central Recreation Center – Pool and Bathhouse Renovation (PRJ20251) (W.O. #E1907620) project would construct a new pool for the facility and renovate the existing bathhouse.

In the summer of 2013, the Department of Recreation and Parks (RAP) staff recommended and received approval to use Quimby funds for construction of the new pool. In parallel, RAP applied for and was awarded funding from the Proposition K program to construct a new pool and to remodel the existing bathhouse. Also, pending execution of the award agreement, Proposition 1C Housing funds can be used for all aspects of the project.

On September 12, 2013, BOE transmitted a task order solicitation to the on-call architectural list to hire a consulting architect to design the new pool and remodeled bathhouse. Subsequent to the selection process Lehrer Architects was issued the task to design the new pool as well as improvements in the bathhouse on March 10, 2014.

To ensure the quality of work that meets the construction standards of City pools, all bidders will be required to complete and submit “Pool Contractor’s Minimum Qualifications – Experience with Public Swimming Pools Construction” forms as part of their bids, as instructed in the bid package.

It has been the policy of this Board to require that the prime contractor on construction projects perform a minimum of 30% of the work for the project, as measured by the base bid price. The purpose of the minimum participation level is largely to avoid contractors that serve merely as brokers and would therefore not have significant ability or expertise to keep projects on schedule and properly manage the construction and the work site. However, this project has a great deal of specialty work and therefore the 30% minimum participation level may exclude competent general contractors from being able to meet the requirement. It is therefore proposed that the minimum prime participation level be reduced to 20% which should still achieve the goal of avoiding brokers as prime contractors but at the same time not exclude competent general contractors. This should help attract a broader range of prime contractors, thus creating a more inviting and competitive bidding environment for this project.

REPORT OF GENERAL MANAGER

PG. 3                      NO. 14-211

The City Engineer's construction cost estimate for the project is \$3,900,000. Funds are currently available from the following funds and accounts:

| <u>Funding Source</u>  | <u>Fund/Department/Account No.</u> |
|------------------------|------------------------------------|
| Quimby                 | 302/89/89440K-CR                   |
| Proposition K          | TBD                                |
| Proposition 1C Housing | TBD                                |

Staff has determined that the subject project was previously evaluated for environmental impacts in accordance with California Environmental Quality Act (CEQA) as part of the Proposition K Assessment, and was found to be exempt. A Notice of Exemption (NOE) was filed with the Los Angeles County Clerk on June 6, 2013. The scope of the project and the environmental conditions has not substantially changed since the NOE was filed, and is still valid for the Board's actions. No additional CEQA documentation is required.

FISCAL IMPACT STATEMENT:

There will be no fiscal impact associated with this project to RAP's General Fund, except the cost of maintenance and operations related to operating the pool facility. Future costs related to the pool's maintenance and operation will be included in RAP's annual budget request. All development costs are being funded through Quimby funds, Proposition K funds and Proposition 1C Housing funds. The cost estimate of maintenance for seasonal pool use, which consists of staffing and programming, will be \$80,000.00.

This report was prepared by Renee Curtis, Landscape Architect I, and Carl Nelson, Project Manager, BOE Architectural Division; and reviewed by Neil Drucker, Program Manager, BOE Recreational and Cultural Facilities Division, Deborah Weintraub, Chief Deputy City Engineer and Cathie Santo Domingo, Superintendent, RAP Planning, Construction and Maintenance Branch.



REPORT OF GENERAL MANAGER

NO. 14-212

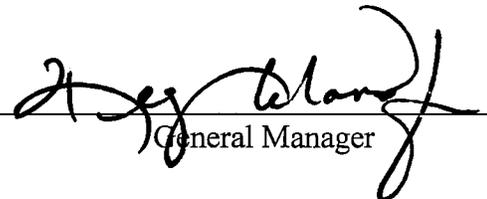
DATE August 13, 2014

C.D. 7

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ANDRES PICO ADOBE PARK – OUTDOOR AREA AND RESTROOM RENOVATION (W.O. #E170330F) – FINAL ACCEPTANCE

|                        |            |             |       |
|------------------------|------------|-------------|-------|
| R. Adams               | _____      | V. Israel   | _____ |
| <i>for</i> *R. Barajas | <u>CEP</u> | K. Regan    | _____ |
| H. Fujita              | _____      | N. Williams | _____ |

  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Concur with the City Engineer’s issuance of Change Order 27 in the amount of \$1,280.00, inasmuch as this Change Order slightly exceeded the 25% change order authority of the City Engineer, although the funding for the Change Order was available within the approved MOU amount approved by the Board, as described in the Summary of this Report; and,
2. Accept the work performed under 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, as outlined in the Summary of this Report; and,
3. Authorize the Board Secretary to furnish GSD with a letter of completion for the project.

SUMMARY:

On February 15, 2012, the Andres Pico Adobe Park – Outdoor Area and Restroom Renovation (W.O. #E170330F) project was awarded to GSD through the approval of an MOU between RAP, BOE, and GSD (Board Report No. 12-040). The Proposition K funded scope was to “renovate outdoor areas, restrooms, lighting”. The project is located at 10940 Sepulveda Boulevard, Mission Hills, California 91345. The detailed project scope of work included enhancing the park by remodeling one restroom for Americans with Disabilities’ Act (ADA) compliance, resurfacing the existing parking lots surrounding the adobe building with historical looking material, irrigation

## REPORT OF GENERAL MANAGER

PG. 2

NO. 14-212

improvements, and lighting improvements outside the house. Included in the project scope was the demolition and removal of a deteriorated trellis and the renovation of outdoor areas, restrooms and lighting.

The project was awarded to the GSD, Construction Forces on February 15, 2012 for \$513,758.00, under an MOU, and was to be funded by Proposition K funds. At the time the project was awarded to GSD, GSD estimated the project's construction cost, including contingency, at \$513,758.00, however, this estimate was based on partially completed plans. After the plans were completed and the building permit obtained, GSD re-estimated the construction cost of the project, and the estimated cost was significantly lowered relative to the original estimate, to \$398,912.00, not including contingency. The Notice to Proceed was then issued to GSD on November 19, 2012, in the amount of \$398,912.00. Construction was completed on October 31, 2013, and the community began to use the facility again on November 1, 2013.

There were twenty-one (21) Change Orders issued on the project, for a total amount of \$100,901.56 or 25.3% of the re-estimated construction contract amount of \$398,912.00. The Change Order percentage is high mainly because during the course of construction it was realized there was additional desired work scope under the project that could be added to the project, within the available funding, to further improve this historic facility.

With the addition of these change orders, the total construction cost on the project was \$499,813.56. However, GSD actually underspent during construction and expended a total of \$476,422.13, which is \$37,335.87 below the original construction award amount of \$513,758.00. Due to the fact that the overall cost, including change orders, was well under the previously authorized total MOU amount of \$513,758.00, and the fact that the Change Order percentage did not exceed 25% of GSD's MOU amount of \$513,758.00, it was initially determined that it was not necessary to obtain Board approval. However, to comply with the spirit and intent of the Board's Change Order policy, it is requested that the Board retroactively approve the City Engineer's issuance of Change Order No. 27. A copy of the Change Order Log is attached for your reference.

GSD has finished the work under budget, and BOE's Construction Management Division completed the construction management of the project. BOE has advised the Department that GSD completed the project's construction and that the quality of the work is excellent.

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

REPORT OF GENERAL MANAGER

PG. 3

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FISCAL IMPACT STATEMENT:

There is no fiscal impact for this renovation project at Andres Pico Adobe Park. Current staff will continue to provide the necessary maintenance. Improvements will be asset to this facility.

This report was prepared by William Tseng, 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 by Cathie Santo Domingo, Superintendent, Planning, Construction and Maintenance Branch, Department of Recreation and Parks.

Change Order Log

| C.O. Number | Date      | Description   | Amount       | Classification                 | Extension in days |
|-------------|-----------|---|--------------|--------------------------------|-------------------|
| 1           | 4/3/2013  | Steel sleeve for HVAC duct                                    | \$975.00     | 3.Change in Scope              | 0                 |
| 2           | 4/3/2013  | Relocate light pole from Harbor Department                    | \$3,906.00   | 3.Change in Scope              | 0                 |
| 3           |           | Change Order 3 cancelled                                      |              |                                |                   |
| 4           | 4/3/2013  | Arborist monitoring - Overhead costs                          | \$360.00     | 1.Changed/Unforeseen condition | 0                 |
| 5           | 4/3/2013  | Add handicap parking's a.c. paving                            | \$9,445.00   | 3.Change in Scope              | 0                 |
| 6           |           | Change Order 6 cancelled                                      |              |                                |                   |
| 7           | 3/20/2013 | Replace existing galvinize water pipe with copper             | \$4,364.00   | 3.Change in Scope              | 0                 |
| 8           | 5/23/2013 | Remove and replace additional a.c. at turnaround              | \$3,006.00   | 3.Change in Scope              | 0                 |
| 9           |           | Change Order 9 cancelled                                      |              |                                |                   |
| 10          |           | Change Order 10 cancelled                                     |              |                                |                   |
| 11          |           | Change Order 11 cancelled                                     |              |                                |                   |
| 12          | 4/3/2013  | Add 2 x 4 framing to garage                                   | \$573.00     | 3.Change in Scope              | 0                 |
| 13          | 4/15/2013 | Addition and changes to concrete curbs                        | \$2,156.00   | 3.Change in Scope              | 0                 |
| 14          |           | Change Order 14 cancelled                                     |              |                                |                   |
| 15          | 4/23/2013 | Add Thickened concrete slab edge                              | \$1,195.56   | 3.Change in Scope              | 0                 |
| 16          | 5/13/2013 | Replace two deteriorated garage doors                         | \$4,876.00   | 3.Change in Scope              | 0                 |
| 17          | 5/13/2013 | Front lawn irrigation   | \$29,122.00  | 3.Change in Scope              | 0                 |
| 18          | 5/13/2013 | Seal, crack repair, and wheel stops for entry parking         | \$2,404.00   | 3.Change in Scope              | 0                 |
| 19          | 5/23/2013 | Additional Irrigation Changes not included in CO 17           | \$12,838.00  | 3.Change in Scope              | 0                 |
| 20          | 5/23/2013 | Mulching Areas 1 and 2  | \$2,500.00   | 3.Change in Scope              | 0                 |
| 21          | 5/28/2013 | Additional Work at Property Line                              | \$906.00     | 3.Change in Scope              | 0                 |
| 22          | 6/12/2013 | Remove and Replace Tile at Roof                               | \$5,883.00   | 3.Change in Scope              | 0                 |
| 23          | 7/11/2013 | Demo and install new men's restroom window                    | \$4,454.00   | 3.Change in Scope              | 0                 |
| 24          | 7/11/2013 | Demo and cement finish new door jamb, reinstall existing door | \$4,423.00   | 3.Change in Scope              | 0                 |
| 25          | 7/11/2013 | Demo and install new women's restroom windows                 | \$4,796.00   | 3.Change in Scope              | 0                 |
| 26          | 7/11/2013 | Smoke detectors   | \$1,439.00   | 3.Change in Scope              | 0                 |
| 27          | 8/20/2013 | Additional arborist monitoring at driveway construction       | \$1,280.00   | 3.Change in Scope              | 0                 |
|             |           | Total:  | \$100,901.56 |                                |                   |

REPORT OF GENERAL MANAGER

NO. 14-213

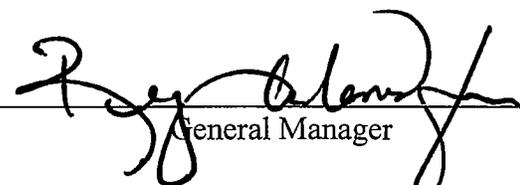
DATE August 13, 2014

C.D. 2

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: VICTORY-VINELAND RECREATION CENTER – OUTDOOR PARK IMPROVEMENTS (PRJ20832) PROJECT – SCOPE OF WORK; ALLOCATION OF QUIMBY FEES; AND EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

|   |   |                   |
|---|---|-------------------|
|  | R. Adams _____  | V. Israel _____   |
|   | *R. Barajas  _____ | K. Regan _____    |
|   | H. Fujita _____   | N. Williams _____ |

  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the scope of the Victory-Vineland Recreation Center – Outdoor Park Improvements (PRJ20832) project, as described in the Summary of this Report;
2. Authorize the reallocation of \$466,122.00 in Quimby Fees, currently allocated to the Tiara Street Park - New Park Development (PRJ1543B) project, to the Victory-Vineland Recreation Center – Outdoor Park Improvements (PRJ20832) project;
3. Authorize the Department’s Chief Accounting Employee to transfer \$466,122.00 in Quimby Fees from the Tiara Street Park Account No. 89460K-TS to the Victory-Vineland Recreation Center Account No. 89460K-VC;
4. Authorize the Department’s Chief Accounting Employee to transfer \$123,878.00 in Quimby Fees from the Quimby Fees Account No. 89460K-00 to the Victory-Vineland Recreation Center Account No. 89460K-VC;
5. Approve the allocation of \$590,000.00 in Quimby Fees, from Victory-Vineland Recreation Center Account No. 89460K-VC for the Victory-Vineland Recreation Center – Outdoor Park Improvements (PRJ20832) project, as described in the Summary of this Report; and,

REPORT OF GENERAL MANAGER

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NO. 14-213

6. Find that the actions taken by the Board herein are exempt from the California Environmental Quality Act (CEQA).
7. Authorize the General Manager, or his designee, to make technical corrections, as necessary to the transactions included in this Report.

SUMMARY:

The Victory-Vineland Recreation Center is located at 11117 Victory Boulevard, in the North Hollywood area of the City. This 6.48 acre facility includes a gymnasium, indoor/outdoor basketball courts, tennis courts, multipurpose field, walking path, and two children's play areas. Victory-Vineland Recreation Center is smaller than the "minimum desired acreage" for a Community Park, but meets the Public Recreation Plan's definition of a Community Park as it is "designed to serve residents of all ages in several surrounding neighborhoods" and it features "specialized" facilities (e.g. Recreation Center/Gymnasium Building, Tennis Courts) that are typically found in a Community Park and that are designed to serve residents from a wide service radius.

Department staff has determined the renovation and improvement of the existing children's play areas, park walkways, landscaping, and drainage at Victory-Vineland Recreation Center is necessary and will be of benefit to park users and the surrounding community. The existing children's play areas are near the end of their service life and are in need of replacement and modernization.

The scope of the project would include the replacement of the existing children's play areas, installation of Americans with Disabilities Act (ADA) compliant walkways, landscaping and drainage improvements, and the installation of standard park amenities.

The Board has approved the allocation of a total of \$2,445,713.73 in Quimby Fees for the Tiara Street Park - New Development (PRJ1543B) project (Board Report Nos. 09-043 and 10-296). The scope of the approved Tiara Street Park - New Park Development (PRJ1543B) project included a community building, a children's play area with rubberized surfacing and shade canopy, decomposed granite walking paths, outdoor fitness equipment, picnic tables, parking lot, fencing and irrigation, and standard park amenities. This project is complete and there are unexpended Quimby funds available for reallocation to other projects.

Staff recommends that a total of \$466,122.00 in unexpended Quimby funds currently allocated to the Tiara Street Park - New Park Development (PRJ1543B) project be reallocated to the Victory-Vineland Recreation Center - Outdoor Park Improvements (PRJ20832) project and transferred from the Tiara Street Park Account No. 89460K-TS to the Victory-Vineland Recreation Center Account No. 89460K-VC. Additionally, staff recommends that \$123,878.00 in Quimby Fees be

REPORT OF GENERAL MANAGER

PG. 3                      NO. 14-213

transferred from the Quimby Fees Account No. 89460K-00 to the Victory-Vineland Recreation Center Account No. 89460K-VC and allocated to the Victory-Vineland Recreation Center – Outdoor Park Improvements (PRJ20832) project.

Upon approval of this report, the total Quimby Fees allocation for the Victory-Vineland Recreation Center – Outdoor Park Improvements (PRJ20832) project would be \$590,000.00. These Fees were collected within two miles of Victory-Vineland Recreation Center, which is the standard distance for the allocation of the Quimby Fees for community recreational facilities.

This proposed allocation of Quimby funds would provide sufficient funding to complete the current scope of the project.

Staff has determined that the subject project will consist of modifications to existing park facilities involving negligible or no expansion of use and placement of new accessory structures. Therefore, the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1(1,3) and Class 11(3) of the City CEQA Guidelines.

FISCAL IMPACT STATEMENT:

The approval of this allocation of Quimby Fees will have no fiscal impact on the Department as the implementation of the proposed park capital improvements will not increase the level of daily maintenance required at this facility.

The estimated costs for the design, development, and construction of the proposed park improvements are anticipated to be funded by Quimby Fees or funding sources other than the Department's General Fund.

The maintenance of the proposed park improvements can be performed by current staff with no overall impact to existing maintenance services.

This report was prepared by Darryl Ford, Management Analyst II, Planning, Construction, and Maintenance Division.



REPORT OF GENERAL MANAGER

NO. 14-214

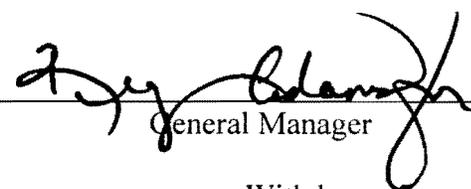
DATE August 13, 2014

C.D. 11

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: MAR VISTA RECREATION CENTER – BASEBALL FIELDS IMPROVEMENTS (PRJ20798) – SCOPE OF WORK; ALLOCATION OF QUIMBY FEES; AND EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

|                       |            |             |       |
|-----------------------|------------|-------------|-------|
| R. Adams              | _____      | V. Israel   | _____ |
| <i>for</i> R. Barajas | <u>CBD</u> | K. Regan    | _____ |
| H. Fujita             | _____      | N. Williams | _____ |

  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the scope of the Mar Vista Recreation Center - Baseball Fields Improvements (PRJ20798) project, as described in the Summary of this Report;
2. Authorize the reallocation of \$13,292.81 in Quimby Fees, currently allocated to the Mar Vista Recreation Center - Recreation Center Lighting Improvement (PRJ1544B) project to the Mar Vista Recreation Center - Baseball Fields Improvements (PRJ20798) project;
3. Authorize the reallocation of \$15,154.67 in Quimby Fees, currently allocated to the Mar Vista Recreation Center - Building Improvements (PRJ1602F) project to the Mar Vista Recreation Center - Baseball Fields Improvements (PRJ20798) project;
4. Authorize the reallocation of \$77,608.58 in Quimby Fees, currently allocated to the Mar Vista Recreation Center - Pool Improvement (PRJ20613) project to the Mar Vista Recreation Center - Baseball Fields Improvements (PRJ20798) project;
5. Authorize the Department's Chief Accounting Employee to transfer \$27,754.00 in Quimby Fees from the Quimby Fees Account No. 89460K-00 to the Mar Vista Recreation Center Account No. 89460K-MR;

REPORT OF GENERAL MANAGER

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NO. 14-214

6. Approve the allocation of \$133,810.06 in Quimby Fees, from Mar Vista Recreation Center Account No. 89460K-MR for the Mar Vista Recreation Center - Baseball Fields Improvements (PRJ20798) project, as described in the Summary of this Report;
7. Find that the actions taken by the Board herein are exempt from the California Environmental Quality Act (CEQA); and,
8. Authorize the General Manager, or his designee, to make technical corrections, as necessary, to the transaction included in this Report.

SUMMARY:

Mar Vista Recreation Center is located at 11430 Woodbine Avenue in the Mar Vista area of the City. This 18.69 acre facility provides a swimming pool, recreation center, tennis and basketball courts, ball diamonds, a synthetic turf soccer field, and a children's play area for the use of the community. Due to the facilities, features, and programs it provides, Mar Vista Recreation Center meets the standard for a Community Park, as defined in the City's Public Recreation Plan.

Department staff has determined the renovation and improvement of the existing three baseball fields at Mar Vista Recreation Center will be of benefit to park users and the surrounding community. The scope of the project would include the installation of Americans with Disabilities Act (ADA) compliant bleachers, drinking fountain, and pathways, and refurbishment of the ball diamonds, fields, dugouts, and fencing.

The Board has approved the allocation of a total of \$162,836.96 in Quimby Fees for the Mar Vista Recreation Center - Recreation Center Lighting Improvement (PRJ1544B) project (Board Report Nos. 08-198, 10-036, and 12-202). The scope of the approved Mar Vista Recreation Center - Recreation Center Lighting Improvement (PRJ1544B) project included refurbishment of the lighting in the gym and building upgrades including roof repairs. This project is complete and there is \$13,292.81 in unexpended Quimby funds available for reallocation to other projects.

The Board has approved the allocation of a total of \$425,029.00 in Quimby Fees for the Mar Vista Recreation Center - Building Improvements (PRJ1602F) project (Board Report Nos. 10-036 and 10-089). The scope of the approved Mar Vista Recreation Center - Building Improvements (PRJ1602F) project included replacement of the existing heating system and installation of a new air conditioning system. This project is complete and there is \$15,154.67 in unexpended Quimby funds available for reallocation to other projects.

## REPORT OF GENERAL MANAGER

PG. 3

NO. 14-214

The Board has approved the allocation of a total of \$90,279.04 in Quimby Fees for the Mar Vista Recreation Center - Pool Improvement (PRJ20613) project (Board Report Nos. 12-202 and 12-298). The scope of the approved Mar Vista Recreation Center - Pool Improvement (PRJ20613) project included Americans with Disabilities Act (ADA) related accessibility improvements and the pool recirculation and filtration systems and equipment. This project is complete and there is \$77,608.58 in unexpended Quimby funds available for reallocation to other projects.

Staff recommends that a total of \$106,056.06 in unexpended Quimby funds currently allocated to the Mar Vista Recreation Center - Recreation Center Lighting Improvement, Building Improvements, and Pool Improvement projects be reallocated to the Mar Vista Recreation Center - Baseball Fields Improvements (PRJ20798) project. Additionally, staff recommends that \$27,754.00 in Quimby Fees be transferred from the Quimby Fees Account No. 89460K-00 to the Mar Vista Recreation Center Account No. 89460K-MR and allocated to the Mar Vista Recreation Center - Baseball Fields Improvements (PRJ20798) project.

Upon approval of this report, the total Quimby Fees allocation for the Mar Vista Recreation Center - Baseball Fields Improvements (PRJ20798) project would be \$133,810.06.

This allocation of Quimby funds only represents a portion of the overall funding required for the project and additional funding has been identified or secured from the Los Angeles Parks Foundation (a \$50,000.00 donation from the Windward School), Proposition A (\$17,189.00 in Proposition A funding that is to be reallocated from a project at Mar Vista Gardens per Board Report No. 14-039), and the Department's Municipal Sports Section (\$75,000.00 from the Municipal Sports Account). With the approval of this allocation of Quimby Fees, there will be a total of \$275,999.06 in funding available for this project, which staff anticipates will be sufficient funding to complete the project.

Staff has determined that the subject project will consist of modifications to existing park facilities involving negligible or no expansion of use and placement of new accessory structures. Therefore, the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1(1,3) and Class 11(3) of the City CEQA Guidelines.

### FISCAL IMPACT STATEMENT:

The approval of this allocation of Quimby Fees will have no fiscal impact on the Department as the implementation of the proposed park capital improvements will not increase the level of daily maintenance required at this facility.

REPORT OF GENERAL MANAGER

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The estimated costs for the design, development, and construction of the proposed park improvements are anticipated to be funded by Quimby Fees or funding sources other than the Department's General Fund.

The maintenance of the proposed park improvements can be performed by current staff with no overall impact to existing maintenance services.

This report was prepared by Darryl Ford, Management Analyst II, Planning, Construction, and Maintenance Division.

REPORT OF GENERAL MANAGER

NO. 14-215

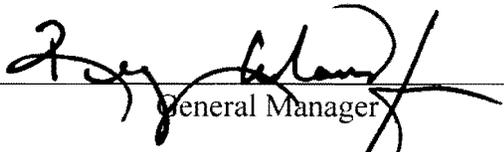
DATE August 13, 2014

C.D. 11

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: STONER RECREATION CENTER – CONCEPTUAL APPROVAL OF CELLULAR EQUIPMENT INSTALLATION

|            |             |            |             |       |
|------------|-------------|------------|-------------|-------|
|            | R. Adams    | _____      | V. Israel   | _____ |
| <i>for</i> | *R. Barajas | <u>LSO</u> | K. Regan    | _____ |
|            | H. Fujita   | _____      | N. Williams | _____ |

  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Grant conceptual approval for the installation of cellular communication equipment at Stoner Recreation Center; and,
2. Authorize the General Manager, or designated staff, to issue necessary Right-Of-Entry permits and sign required permit applications.

SUMMARY:

On May 4, 2011, the Board of Recreation and Parks Commissioners approved Board Report No. 11-119 which authorized staff to enter into a Master Lease Agreement with cellular telecommunication providers for the purpose of facilitating the review of individual Site Lease Agreements, each of which is to be reviewed for approval by the Commission. To date, AT&T is the only cellular telecommunication provider to enter into a Master Lease Agreement with the Department of Recreation and Parks (Department).

AT&T has now approached the Department with a request to install cellular equipment at Stoner Recreation Center under the terms of the Master Lease Agreement. Stoner Recreation Center is located at 1835 South Stoner Avenue. This is an approximately eight and a half (8.5) acre facility which features a recreation center, skate-park, baseball diamond, tot lot, tennis courts and offers a variety of sports and other programs.

## REPORT OF GENERAL MANAGER

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NO. 14-215

The proposed installation would be a mono-pole with a eucalyptus design located between the existing baseball diamond and existing tennis courts. The ground located modular equipment is proposed to be installed adjacent to the cellular tower. The equipment shelter is proposed to be screened in order to minimize visual impact. A photo rendering of the proposed installation is attached hereto as Exhibit A. It is understood that the final design may differ from the initially proposed design and could vary upon community input.

Department staff completed an initial project walk-through with the applicant in order to identify any potential disruption that the project may cause to the location. Staff finds that the proposed design of the eucalyptus tree mono-pole to be the least visually disruptive design within the park setting. Installation of all equipment would be the financial responsibility of the applicant and installed to Department standards.

Should the Commission grant conceptual approval for this project the next steps would be for the Department to issue the appropriate Right-Of-Entry permits in order for the applicant to complete necessary testing as well as granting staff authorization to sign permit applications for the applicant to apply for other necessary entitlements such as a Conditional Use Permit (CUP) from the Department of City Planning. There will be a minimum of one Park Advisory Board meeting in reference to this proposal in addition to the legally mandated public notification and public hearings required for the CUP application. If and when all necessary entitlements and permits have been obtained the applicant will return to this Commission for final consideration of the project. Department management and staff support the recommendations contained in this Report.

It is the intent of the Department to integrate the planning and decision-making processes for this application with the evaluation of potential environmental effects as required by the California Environmental Quality Act (CEQA) and the associated City and State CEQA Guidelines. The required environmental review will be conducted prior to any final approval of this application.

### FISCAL IMPACT STATEMENT:

The approval of this project will not have an impact on the Department's General Fund as all application and eventual construction costs are the responsibility of the applicant. The initial Site Lease Agreement application fee of \$2,000.00 is sufficient to cover Department staff time for the processing of this application. Should the application for a lease be granted in fiscal year 2014-2015 the initial annual fee for this location would be \$38,027.00. Annual increases in rent will be based on either the Consumer Price Index or a fixed percentage as detailed in the Master Lease Agreement.

This Report was prepared by Melinda Gejer, City Planning Associate, of the Planning, Construction and Maintenance Branch.

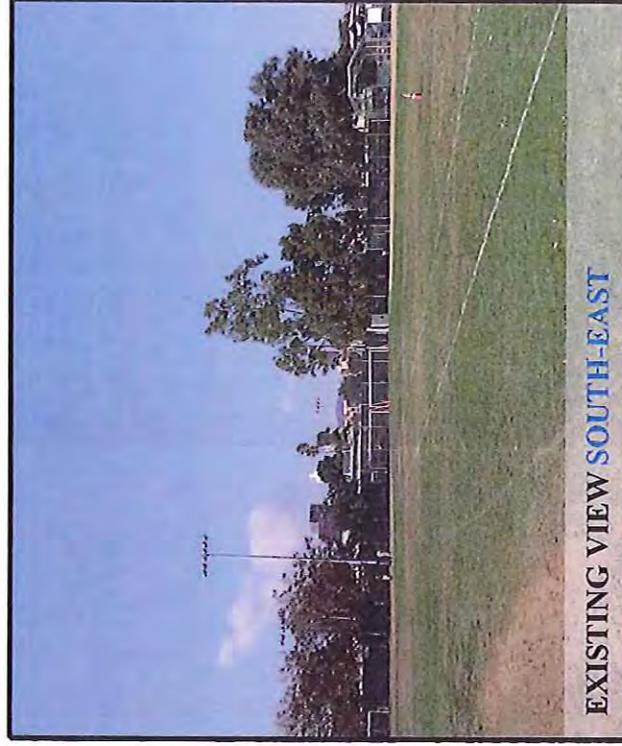
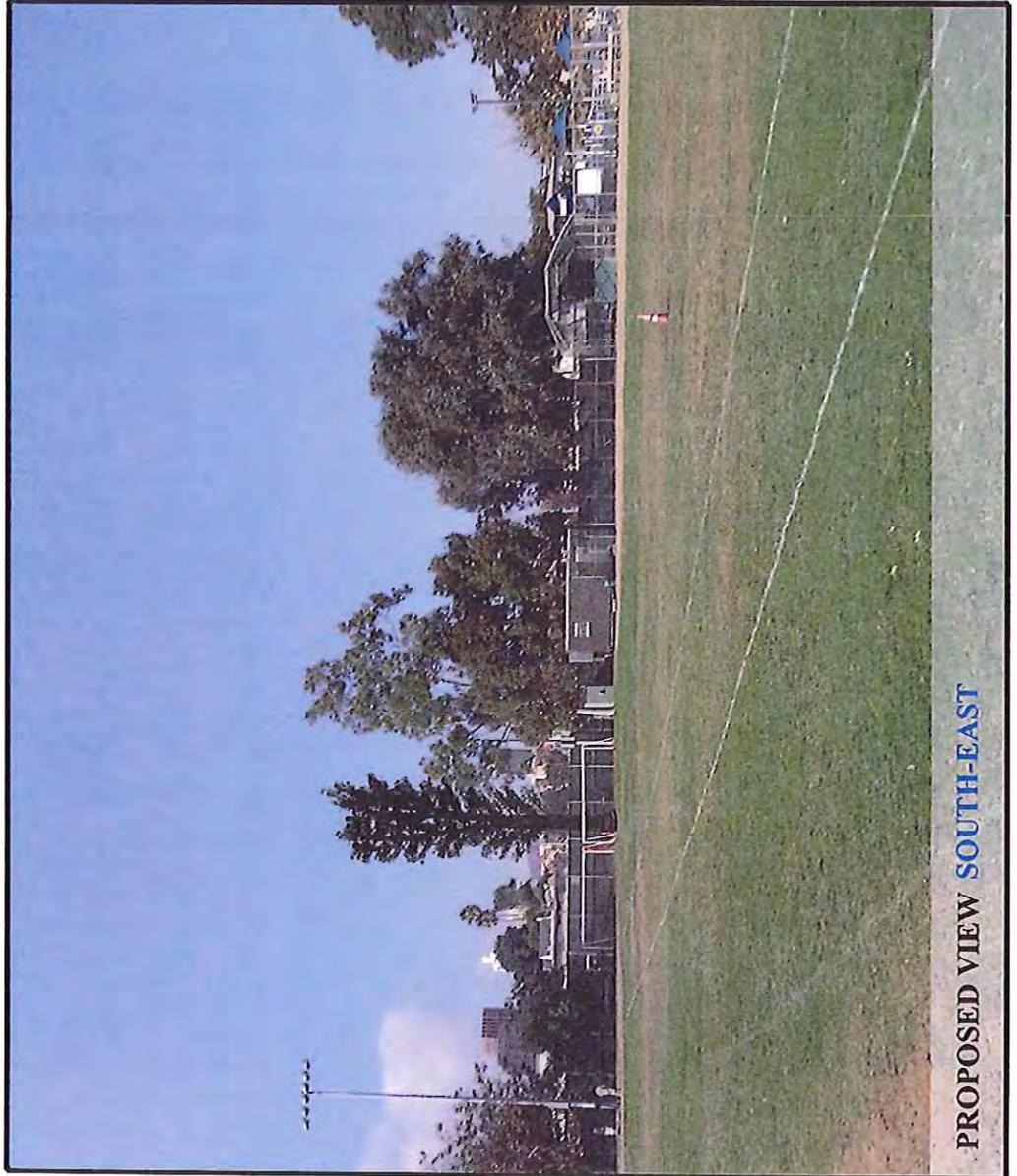
**CLV4421**  
Stoner at Missouri  
11801 West Missouri Avenue, Los Angeles, CA 90025



Eukon Group  
65 Post, Suite 1000 - Irvine,  
CA, 92618 - (949) 553-8566



at&t  
AT&T  
12900 Park Plaza Drive  
Cerritos, CA 90703



**SITE COORDINATES**

Latitude: 34.0382286  
Longitude: -118.4547286

**APPLICANT**

AT&T  
12900 Park Plaza Drive  
Cerritos, CA 90703



**SHEET NUMBER**



Eukon Group  
65 Post, Suite 1000 - Irvine,  
CA, 92618 - (949) 553-8566

# CLV4421 Stoner at Missouri

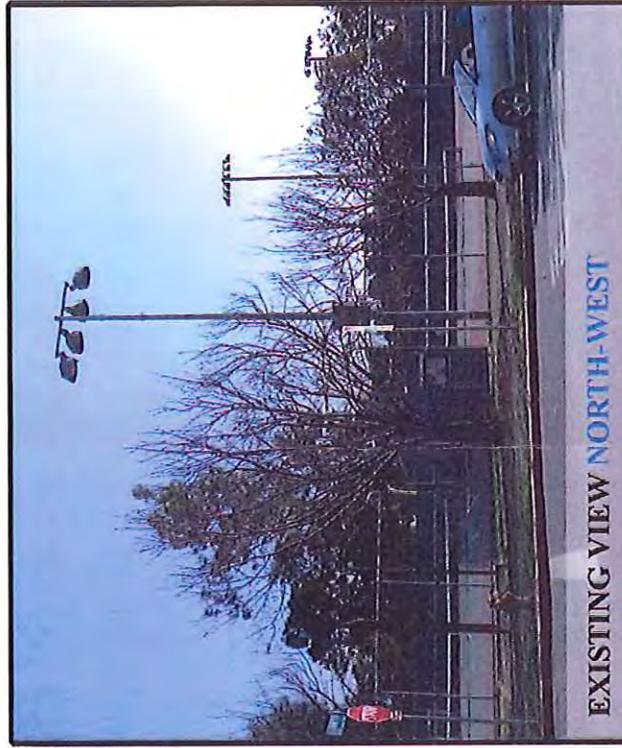
11801 West Missouri Avenue, Los Angeles, CA 90025



AT&T  
12900 Park Plaza Drive  
Cerritos, CA 90703



PROPOSED VIEW NORTH-WEST



EXISTING VIEW NORTH-WEST



SITE LOCATION

**SITE COORDINATES**

Latitude: 34.0382286  
Longitude: -118.4547286

**APPLICANT**

AT&T  
12900 Park Plaza Drive  
Cerritos, CA 90703



**SHEET NUMBER**

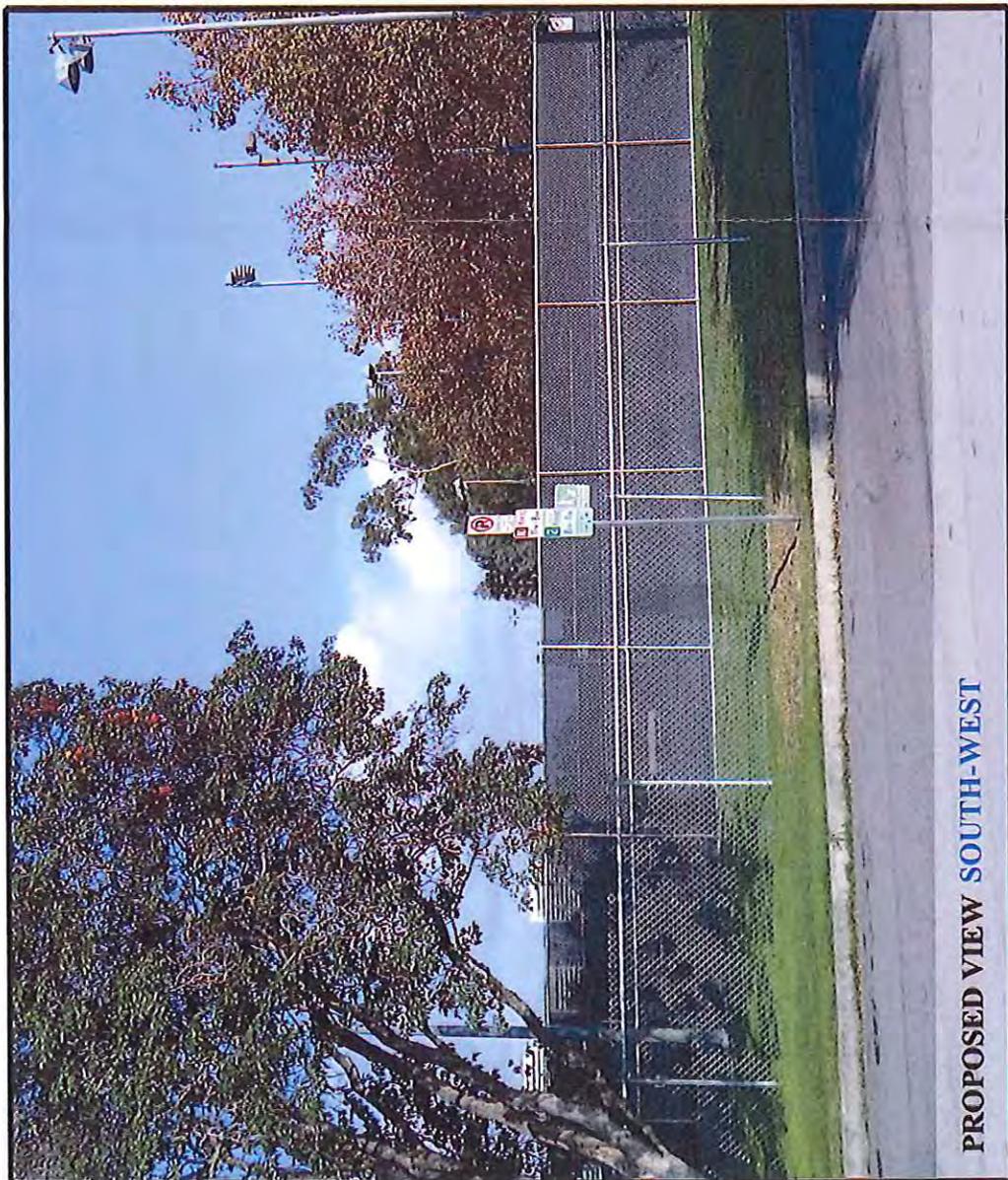
**CLV4421**  
**Stoner at Missouri**  
 11801 West Missouri Avenue, Los Angeles, CA 90025



Eukon Group  
 65 Post, Suite 1000 - Irvine,  
 CA, 92618 - (949) 553-8566



12900 Park Plaza Drive  
 Cerritos, CA 90703



**SITE COORDINATES**  
 Latitude: 34.0382286  
 Longitude: -118.4547286

**APPLICANT**  
 AT&T  
 12900 Park Plaza Drive  
 Cerritos, CA 90703

**SHEET NUMBER**

3
3



REPORT OF GENERAL MANAGER

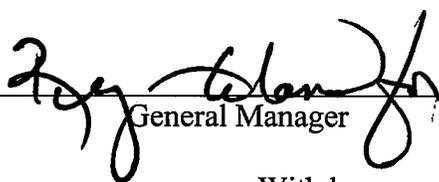
NO. 14-216

DATE August 13, 2014

C.D. Various

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: VARIOUS COMMUNICATIONS

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

The following communications have been received by the Board and recommended action thereon is presented.

From:

Recommendation:

1) Mayor, relative to a proposed agreement with SolarWorld Americas, LLC for the Purchase and Installation of Alternative Energy Equipment.

Referred to staff for further processing.

2) Mayor, relative to a proposed Gift Agreement with the Los Angeles Clippers Foundation and LA84 Foundation for Park Improvements at Algin Sutton Recreation Center.

Referred to staff for further processing.

3) Mayor, relative to a proposed Gift Agreement with the Los Angeles Clippers Foundation for Park Improvements at State Street Recreation Center.

Referred to staff for further processing.

REPORT OF GENERAL MANAGER

PG. 2

NO. 14-216

- |   |   |
|---|---|
| 4) Mayor, relative to Gift Agreement with Rob Dyrdek-DC Shoes Skate Plaza Foundation for the installation of Street-Style Skate Plaza Improvements at Gilbert W. Lindsay Community Center.                              | Referred to staff for further processing. |
| 5) Mayor, relative to Gift Agreement with Rob Dyrdek-DC Shoes Skate Plaza Foundation for the installation of Street-Style Skate Plaza Improvements at Hazard Park.  | Referred to staff for further processing. |
| 6) Mayor, transmitting Executive Directive No. 4, "Intergovernmental Relations."  | Note and File.                            |
| 7) Mayor, relative to a proposed Memorandum of Understanding with the Friends of Oakridge for the Oakridge Residence.   | Referred to staff for further processing. |
| 8) Mayor, relative to a proposed Amendment to the Contract with Shane's Inspiration relative to Universal Access Playgrounds.   | Referred to staff for further processing. |
| 9) Mayor, relative to a proposed Contract with FirstCarbon Solutions   Michael Brandman Associates, and Friends of Hollywood Central Park for the Environmental Impact Analysis for the Hollywood Central Park Project. | Referred to staff for further processing. |
| 10) Councilmember LaBonge, relative to Friends of Fern Dell: Moogoonghwa.   | Note and File.                            |
| 11) Councilmember Parks, relative to the United for Health collaborative.   | Note and File.                            |

REPORT OF GENERAL MANAGER

PG. 3

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- 12) City Clerk, relative to accepting \$1,200 from the National Recreation and Parks Association 2014 Out-of-School Time Program Grant for travel expenses for a grant workshop. Referred to General Manager.
- 13) City Clerk, relative to a proposed Memorandum of Understanding with the Friends of the EXPO Center. Referred to staff for further processing.
- 14) City Clerk, relative to the Fourth Construction Projects Report, including the Children's Museum / Discovery Science Center of Los Angeles project. Note and File.
- 15) City Clerk, relative to a proposed agreement with Los Feliz Nursery School, Inc. for the operation of a childcare center at Griffith Park Sports Complex. Referred to staff for further processing.
- 16) City Clerk, relative to grant funding for the National Recreation and Park Association (NRPA) Coca-Cola Troops for Fitness Program. Referred to General Manager.
- 17) City Clerk, relative to a proposed site lease agreement with New Cingular Wireless PSC, LLC, for the maintenance and operation of the cellular telecommunication equipment in Griffith Park. Referred to staff for further processing.
- 18) City Clerk, relative to closing Runyon Canyon early during Independence Day weekend to protect the public from the danger posed by fireworks. Note and File. The matter was acted on at the June 26, 2014 Board Meeting. (Report No. 14-169)
- 19) City Clerk, relative to a proposed Agreement with PlayCore Wisconsin, Inc., for the purchase of playground equipment, surfacing, site furnishings, and related products and services. Referred to staff for further processing.

REPORT OF GENERAL MANAGER

PG. 4

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- 20) City Clerk, relative to consolidating the Department's Central Service Yard to facilitate conversion of a portion of the property to park land and/or for active/passive recreational uses. Referred to General Manager.
- 21) City Clerk, relative to electric personal assistive mobility devices operating on any public way within Venice Beach park. Note and File.
- 22) City Clerk, relative to the Light Emitting Diode Conversion Program Project along Venice Beach - Ocean Front Walk. Referred to General Manager.
- 23) City Clerk, relative to support for Summer Night Lights. Referred to General Manager.
- 24) Chief Legislative Analyst, forwarding the Legislative Report for the weeks ending June 13, June 20 and June 27, 2014. Note and File.
- 25) Steven, to the Bureau of Street Services, relative to Hatteras Street, which leads to Tarzana Park. Referred to General Manager.
- 26) Three Residents, relative to the Request for Proposal for the Operation and Maintenance of the Greek Theatre Concession. Referred to General Manager.
- 27) F Wasao, relative to the Mulholland Parkway Overlook near Mulholland and Skyline. Referred to General Manager.
- 28) Approximately twenty-five additional signers, a continuation of Chris Yamashita's petition (via Change.org) relative to the State-owned Angel's Knoll Park. Note and File.

REPORT OF GENERAL MANAGER

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NO. 14-216

- 29) Mindy Glazer, three communications to Councilmember Bonin, relative to Stoner Skate Park. Referred to General Manager.
- 30) Two Residents, relative to increased pool fees. Referred to General Manager.
- 31) Rick Selan, twenty-seven communications relative to the Venice Neighborhood Council, Oakwood Recreation Center, and the Los Angeles Unified School District. Note and File.
- 32) Doug Haines, to the City Council, relative to the Exemption from the California Environmental Quality Act stated in Report of the General Manager No. 14-098. Note and File.
- 33) Ariel Van Zandweghe, Historical Society of Southern California, relative to the Request for Proposals for the Operation and Maintenance of the Lummis Home, with a response from the Executive Officer. Note and File.
- 34) Margie Beeson, Chariman, Hansen Dam Park Advisory Board, relative to naming the children's campground as the "Otis Wallace Memorial Campground." Referred to General Manager.
- 35) Indra Lowenstein, relative to poison found in parks. Referred to General Manager.
- 36) Various Residents, fifty-five communications relative to Hollywoodland, next to Griffith Park. Referred to General Manager.
- 37) Craig Olsson, relative to the Griffith Park Crystal Springs - New Baseball Fields (W.O. #E170110B) project. Referred to General Manager.

REPORT OF GENERAL MANAGER

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- 38) Melinda Kramer, relative to a possible promotion within the Department. Referred to General Manager.
- 39) Bob Parco, Boardwalk Skates, relative to his business encroaching onto parkland at Venice Beach. Referred to General Manager.
- 40) Nine residents, relative to "homeless encampments along the Arroyo Seco." Referred to General Manager.
- 41) John A. Henning, Jr., relative to camping on Venice Beach. Referred to General Manager.
- 42) Two hundred forty-two signers of a petition, relative to St. Andrews Recreation Center's baseball field. Referred to General Manager.
- 43) Julie Messing-Paea, vp, reputation, i.d.e.a., relative to a plan to help move Los Angeles County towards a common green infrastructure vision. Referred to General Manager.
- 44) Zaieda Jackovich, relative to alleged bullying at Winnetka Recreation Center. Referred to General Manager.
- 45) Alfred Locke, relative to the Drum Barracks Civil War Museum. Referred to General Manager.

This report was prepared by Paul Liles, Clerk Typist, Commission Office.

REPORT OF GENERAL MANAGER

NO. 14-217

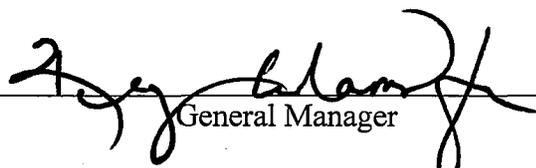
DATE August 13, 2014

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PERSHING SQUARE – WINTER THEMED LIGHTING – REQUEST FOR PROPOSALS

|            |       |              |            |
|------------|-------|--------------|------------|
| R. Adams   | _____ | V. Israel    | _____      |
| R. Barajas | _____ | K. Regan     | _____      |
| H. Fujita  | _____ | *N. Williams | <u>NDW</u> |

  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the Request for Proposals (RFP) for Winter Theme Lighting at Pershing Square Park, substantially in the form on file in the Board Office, subject to review and approval of the City Attorney as to form;
2. Direct the Board Secretary to transmit the RFP to the City Attorney for review and approval as to form;
3. Authorize staff to advertise the RFP and conduct the RFP process, subsequent to City Attorney review and approval as to form;
4. Authorize staff to issue an amendment to Contract No. 3331, increasing the contract amount by \$75,000.00 for a contract total of \$375,000.00, and extending the contract by one (1) year through September 30, 2015, subject to the approval of the Mayor and of the City Attorney as to form, while the Department conducts the RFP process;
5. Find, in accordance with Charter Section 1022 (attachments 1 and 2), that the Department does not have personnel available in its employ with sufficient time and expertise to undertake these specialized services and that it is more feasible to secure these services by contract amendment;

## REPORT OF GENERAL MANAGER

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NO. 14-217

6. Find, in accordance with Charter Section 371 (e)(2) that for the temporary continuation of professional services for Pershing Square Winter Themed Exterior lighting and Décor, that competitive bidding is not practicable or advantageous;
7. Direct the Board Secretary to transmit forthwith the proposed Amendment to the Mayor in accordance with Executive Directive No. 3 and, concurrently, to the City Attorney for approval as to form; and,
8. Authorize the Board President and Secretary to execute the Amendment upon receipt of the necessary approvals.

### SUMMARY:

Pershing Square Park is an outdoor concert and event center located in the heart of downtown Los Angeles. The Department of Recreation and Parks (Department) hosts free programs for the residents and visitors throughout the year. From mid-November to mid-January, Pershing Square Park is transformed into a winter wonderland and festive environment by being decorated and illuminated with outdoor winter theme lighting.

On September 1, 2010, Contract No. 3331 for winter theme lighting at Pershing Square was awarded to Mobile Illumination, Inc., as a result of a RFP process (Board Report No. 10-239). On June 27, 2013, a contract amendment was approved to extend the term by one (1) year to September 30, 2014 and increase the contract amount by \$75,000.00 for a contract total of \$300,000.00 (Board Report No. 13-172). It is necessary to amend this contract to extend it for another year, through September 30, 2015, while a new RFP process is done to select a contractor for a new multi-year contract, to ensure that service will continue. The scope of work in the RFP will include guidelines for the design, rental, installation, maintenance, and removal of outdoor winter theme lighting at Pershing Square Park.

Staff has developed and is now ready to release, at the direction of the Board, an RFP which will be advertised in a minimum of one periodical, will be available for viewing and downloading on the Department's website, and will be posted on the Los Angeles Business Assistance Virtual Network (BAVN). In addition, a letter inviting bids will be mailed to interested parties from a mailing list maintained by the Department.

A conference will be held approximately two (2) weeks after the release of the RFP in order to provide potential proposers with a review of the submittal documents, and the compliance documents.

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NO. 14-217

The RFP process will take approximately twelve (12) months, which means a RFP released in August 2014 could mean execution as late as September 2015, explaining the requirement for an amendment to the existing Contract No. 3331.

Evaluation Process

Proposals will be evaluated in two Levels. Level I will be a check and review by staff for required compliance and submittal documents. Level II will be a comprehensive evaluation of the proposals by a panel of City employees. Proposers must successfully pass Level I to proceed to Level II.

For the purpose of evaluation, the proposals responsive to Level I will be evaluated on the criteria below (Level II):

- 1) Experience and Qualifications (25 points);
- 2) Proposed Design (25 points);
- 3) Proposed Compensation (50 points);

The selected proposer will be recommended to the Board for a one (1) year contract, with two (2) one (1) year options to extend, exercisable at the sole discretion of the General Manager, in an amount not to exceed \$75,000.00 per year. The contract amount is an estimate, and the Department does not guarantee that the contract maximum amount will be reached. The Department, in entering into an agreement, guarantees no minimum amount of business or compensation. The contract awarded through this RFP shall be subject to funding availability and early termination by Department, as provided in the Standard Provisions for City Contracts.

Funding for this contract will be provided from Fund No. 302, Department 89.

FISCAL IMPACT STATEMENT:

Releasing and conducting the Request for Proposals has no impact to the Department's General Fund.

Report prepared by Nancy Jeffers, Management Analyst II, Finance Division, Service Contracts Group.



## PERSONNEL DEPARTMENT CONTRACT REVIEW REPORT

1. Requesting Department: Department of Recreation and Parks

2. Contacts

Department: Raymond Chang Phone No. (818) 243-6488 Fax No. 818-243-6451

CAO: Veronica Salumbides Phone No. (213) 473-7561 Fax No. 213-473-7514

3. Work to be performed:

Department of Recreation and Parks is seeking a contractor for the design, installation, maintenance, and removal of contractor provided winter-themed exterior lighting décor for Pershing Square Park. The contractor will provide a design proposal to include pictures, diagrams of products, product sizes/dimensions materials. The contractor will be required to provide requested maintenance within 48 hours, and provide other service guarantees as required by design and entertainment schedules. Approximate eight workdays are allowed for installation and removal of holiday lights and other ornaments provided by the contractor.

4. Is this a contract renewal? Yes  No

5. Proposed length of contract: One year (two, one-year renewal options)  
Proposed Start Date: November 1, 2009

6. Proposed cost of contract (if known): \$85,000

7. Name of proposed contractor: Unknown.

8. Unique or special qualifications required to perform the work:

The contractor must have exterior holiday lighting equipment in stock and the expertise to design, incorporate new and/or incorporate existing structures and landscape to meet an approved thematic holiday design.

9. Are there City employees that can perform some of the work being proposed for contracting?  
Yes  No

| <b>Classification</b>               | <b>Departments</b>            | <b>List Expires</b> |
|-------------------------------------|-------------------------------|---------------------|
| Maintenance Laborer                 | Public Works, Airports, other | Continuous Exam     |
| Maintenance and Construction Helper | Public Works, Airports, other | Continuous Exam     |
| Mechanical Helper                   | Various                       | Continuous Exam     |
| Electrical Craft Helper             | Various                       | Continuous Exam     |

If yes,

1. Which class(es) and Department(s): See above.
2. Is there sufficient Department staff available to perform the work? Yes  No
3. Is there a current eligible list for the class(es)? Yes  No  Expiration Date: See above.

- d. Estimated time to fill position(s) through CSC process? 2 to 8 months depending on the class.
- e. Can the requesting department continue to employ staff hired for the project after project completion? Yes  No
- f. Are there City employees currently performing the some of the work? Yes  No

10. Findings

- City employees DO NOT have the expertise to perform the work
- City employees DO have the expertise to perform some of the work

Check if applicable (explanation attached) and send to CAO for further analysis

- Project of limited duration would have to layoff staff at end of project
- Time constraints require immediate staffing of project
- Work assignment exceeds staffing availability

**SUMMARY:**

Cathy J. Janaka  
Submitted by

Sally De Rosa  
Approved by

12-29-08  
Date

## PERSONNEL DEPARTMENT CONTRACT REVIEW REPORT

1. Requesting Department: Recreation and Parks
2. Contacts:
 

|                                  |                               |
|----------------------------------|-------------------------------|
| Department: <u>Nancy Jeffers</u> | Phone No. <u>213-202-4352</u> |
| CAO: <u>Jay Shin</u>             | Phone No. <u>213-473-7559</u> |
3. Work to be performed:
 

The Department of Recreation and Parks is seeking a contractor for the design, installation, maintenance, and removal of contractor-provided winter-themed exterior lighting décor for Pershing Square Park. The contractor will provide a design proposal to include pictures, diagrams of products, and product sizes, dimensions and materials. The contractor will be required to comply with the park production schedule, provide requested maintenance within 48 hours, and provide other service guarantees as required by design and entertainment schedules. The approximate number of work days for the installation and removal crew is eight. Design and on-call maintenance hours/days will be variable.

Is this a contract renewal?    Yes     No
4. Proposed length of contract: Three years, with two one-year renewal options, with potential amendments to extend

Start Date: October 2014
6. Proposed cost of contract (if known): Up to \$75,000 per year; \$225,000 for three years
7. Name of proposed contractor: To be determined
8. Unique or special qualifications required to perform the work:
 

The contractor must have exterior holiday lighting equipment in stock. The contractor must have the expertise to design, provide and incorporate new structures and landscape, as well adapt existing ones, to meet an approved thematic winter holiday design.
9. Are there City employees that can perform the work being proposed for contracting?
 

Yes                       No

If yes,

  - a. Which class (es) and Department(s):
  - b. Is there sufficient Department staff available to perform the work? Yes  No
  - c. Is there a current eligible list for the class(es)? Yes  No  Expiration Date
  - d. Estimated time to fill position(s) through CSC process?
  - e. Can the requesting department continue to employ staff hired for the project after project completion?    Yes  No
  - f. Are there City employees currently performing of the work? Yes  No
10. Findings
 

City employees DO NOT have the expertise to perform the work

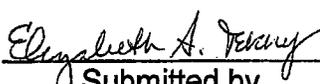
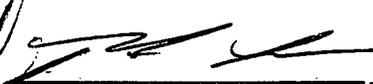
City employees DO have the expertise to perform work. (Please see summary below.)

Check if applicable (explanation attached) and send to CAO for further analysis

- Project of limited duration would have to layoff staff at end of project
- Time constraints require immediate staffing of project
- Work assignment exceeds staffing availability

**SUMMARY:**

Recreation and Parks is seeking a contractor to perform certain tasks related to winter-themed exterior lighting décor for Pershing Square Park. There are some City classifications, such as Maintenance Laborer and Electrical Craft Helper, that may be able to perform some of the work. However, these classifications would not perform the design aspect of the work. In addition, the department indicated that it does not have sufficient staff with the appropriate expertise to perform the work.

|  |  |  |   |
|--|--|--|---|
|  |  |  |  |
| Submitted by   | Reviewed by  | Approved by  | Date  |
| Elizabeth A. Terry   | Don Harrahill  | Raul Lemus   |   |
| Sr. Personnel Analyst I  | Sr. Personnel Analyst II   | Chief Personnel Analyst  |   |

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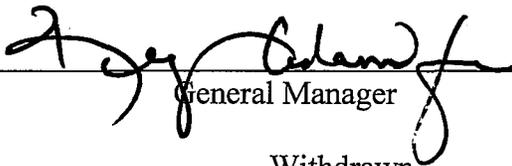
DATE August 13, 2014

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: 50 PARKS INITIATIVE – WATTS CULTURAL CRESCENT (WATTS TOWERS CULTURAL CRESCENT) – ACCEPTANCE OF REAL PROPERTY PARCEL WITH ASSESSOR’S PARCEL NUMBER 6065-033-900 FOR PARK PURPOSES

|            |             |            |             |       |
|------------|-------------|------------|-------------|-------|
|            | R. Adams    | _____      | V. Israel   | _____ |
| <i>for</i> | *R. Barajas | <u>CSP</u> | K. Regan    | _____ |
|            | H. Fujita   | _____      | N. Williams | _____ |

  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Adopt the Resolution, on file in the Board Office, authorizing the acceptance of the transfer of approximately 2.96 acres or 128,797 square feet of property located at 1780 East Santa Ana Boulevard, Watts, California 90002, Los Angeles County Assessor’s Parcel Number (APN) 6065-033-900 (Exhibit “A”), between Graham Avenue and Wilmington Avenue (Parcel), from the Community Redevelopment Agency of Los Angeles (CRA/LA);
2. Authorize the Board Secretary to accept the transfer via Grant Deed, on file in the Board Office, representing the transfer of ownership of the Parcel, subject to the review and approval of the City Attorney;
3. Set apart the Parcel and dedicate it as park property in perpetuity;
4. Find that the project is exempt from the provisions of the California Environmental Quality Act;
5. Direct staff to file a Notice of Exemption with the Los Angeles County Clerk; and,

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6. Request and/or authorize that the Department of General Services (GSD) assist in processing the transfer of property from the CRA/LA to the Department of Recreation and Parks, as requested by City Council.

SUMMARY:

The Department of Recreation and Parks (RAP) and its Real Estate staff continue to work in achieving the goal of the 50 Parks Initiative, which its stated goal is to bring parks to those areas throughout the City of Los Angeles that need parks the most. The 50 Parks Initiative program is substantially increasing the number of parks and facilities available across the City of Los Angeles, with a specific focus on densely populated neighborhoods and communities that lack sufficient open space and recreational services. The new parks will provide social, health, economic and environmental benefits to communities that suffer from blight and other social and economic ills.

On March 22, 2011, the Los Angeles City Council (Council), under Council File No. 11-0086-S1 and Amending Motion 22A, adopted the recommendations of the Community Redevelopment Agency (CRA/LA) and accepted the conveyance of real property from the CRA/LA to the City of Los Angeles (City). Said motion(s) authorized GSD and other City departments to negotiate and execute documents necessary to complete the transfer of CRA/LA interests to the City. The Mayor approved the Council action on March 24, 2011. On June 9, 2011, the CRA/LA conveyed the property by Grant Deed to the City. The Grant Deed was recorded on June 10, 2011. Thereafter, on June 17, 2011, Council accepted the Grant Deed conveying the property from the CRA/LA to the City.

On June 17, 2011, Council by Motion also authorized and instructed GSD to effectuate a transfer of jurisdiction of the unimproved parcel of real property located at 1780 East Santa Ana Boulevard, Watts, California 90002 in the Watts Corridor of the South Los Angeles region, parcel known as the Watts Cultural Crescent property, to RAP as a dedicated park property, to be utilized as open space and for the purpose of creating a skate park.

On July 13, 2011, the Board of Recreation and Park Commissioners (Board) approved the transfer of jurisdiction of the parcel known as Watts Cultural Crescent, also identified as APN 6065-033-900 from GSD (Board Report No. 11-135). On September 26, 2011, GSD on behalf of the City recorded the Transfer of Jurisdiction and Control document with the Los Angeles County Assessor's Office, officially transferring the jurisdiction and control of the parcel identified by APN 6065-033-900 from GSD to RAP.

On June 28, 2011, Governor Jerry Brown signed into law two bills that amended California Community Redevelopment Law in order to address the state's ongoing budget deficit. Assembly Bill (AB)X1 26 dissolved all California Redevelopment Agencies (RDA) effective

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October 1, 2011. As a result of the California Supreme Court upholding the constitutionality of ABX1 26, which called for the dissolution of the RDA, approximately 400 RDA were dissolved on February 1, 2012, with the assets and liabilities transferred to Successor Agencies and Successor Housing Agencies.

In accordance with ABX1 26, the State Controller (State) audited all asset transfers (including property transfers) made by the former redevelopment agencies to Cities and other public agencies during the period from January 2011 through January 2012. In April 2012, the State ordered all cities and other public agencies to reverse asset transfers from the former redevelopment agencies unless the City or public agency had committed to a third party for an expenditure or encumbrance of a specific asset prior to June 28, 2011.

On August 31, 2012 (Council File No. 11-0086-S5), Council approved the return of 70 parcels to the CRA/LA, a Designated Local Authority (DLA) which is the successor agency to the CRA/LA. Council withheld the transfer of 28 properties pending further discussions within the City's CRA/LA working group and legal review. The 28 properties withheld were properties that the City felt needed to be retained within the City's control. These included Watts Crescent Park and Wilton Place Park, currently known as Country Club Park.

As a result of this action, all former CRA/LA properties that had been transferred to City had to be returned to the State or successor entity. The Watts Cultural Crescent was one of these sites. On November 21, 2012, the Board through Board Report No. 12-318 rescinded the previous Board action of July 13, 2011, clearing the way for the parcels to be returned to the CRA/LA. On December 6, 2012, the City quit claimed to the CRA/LA parcel identified by APN 6065-033-900 – the Watts Cultural Crescent site.

The legislation that dissolved the Community Redevelopment Agency of the City of Los Angeles established CRA/LA as the Successor Entity charged with disposition of all real property assets of the former redevelopment agency in accordance with a Long Range Property Management Plan (LRPMP). The CRA/LA Governing and Oversight Boards approved the LRPMP in November 2013 and submitted it to the State Department of Finance (DOF) for approval said plan of disposition of real property. DOF has issued approval of disposition for a subset of CRA/LA Properties identified as - 2- Government Use properties.

On December 18, 2013, Council acted on the recommendations of the Innovation Technology and General Services Committee Report on the transfer of the CRA/LA properties to the City under Council File No. 13-1482.

On February 27, 2014, DOF approved the transfer from CRA/LA to the City of 31 real property interests, including 7 public parks, 14 public rights of way and parcel remnants, 2 government facilities, and 8 access and use easements. In addition, the transfer of 4 real property interests

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representing 5,610,084 square feet of transferrable development rights may become available for transfer to the City upon DOF approval. All received properties will be encumbered with restrictions that require that the properties continue to be used for government purposes in perpetuity, and will be conveyed by grant deed, quitclaim, or easement transfer (Transfer Documents) at no cost to the City. This Report provides recommendations to allow the City and RAP to assume ownership of real property known as the Watts Towers Cultural Crescent as one of the site interests for Government Use from CRA/LA. There will be no acquisition cost associated with the acceptance of the CRA/LA properties. Deferred maintenance costs and necessary repairs on all the proposed property transfers have been estimated at \$784,503.00. Annual operating and maintenance costs associated with the properties are estimated at \$216,050.00 as anticipated in current and planned departmental budgets.

On May 6, 2014, the City Council adopted the action(s) under Council File No. 13-1482, relative to the transfer of properties from CRA/LA to City Departments as described in the City Administrative Officer (CAO) and Chief Legislative Analyst's (CLA) joint report dated April 4, 2014 under Council File No. 13-1482. Of concern to RAP are specific recommendations No. 1, 2, 3, 5, 6, 7, and 9, requesting that the Board of Recreation and Park Commissioners consider and approve the acquisition of the seven park properties as described in Attachment "A" of the City Administrative Officer (CAO) and Chief Legislative Analyst's (CLA) joint report dated April 4, 2014 described in Council File No. 13-1482. The seven (7) parks that City Council requests the Board to consider are listed below:

- 1- Watts Towers Cultural Crescent - 1780 East Santa Ana, APN: 6065-033-900
- 2- Country Club Park - 1015 South Wilton Place, APN: 5081-024-902
- 3- San Julian Park - 312 East 5th Street, APNs: 5148-014-904, 905, 906
- 4- Pico/Union Community Garden - 1554 West 11th Place, APN: 5137-025-901 to -904
- 5- Challengers Track and Field Easement - 1046-1056 West 50th Street and 1047-1057 West 51st Street
- 6- Western/Gage Park Project - 6300 South Western Avenue, APN: 6002-030-906; APN: 5017-026-062
- 7- Grand Hope Park - 900 South Hope Street, APN: 5139-007-947, -924

The Watts Towers Cultural Crescent, which this Report addresses specifically, is the first of those parcels that has been cleared as having no title issues. As intended and recommended by City Council, RAP staff requests that the Board consider the acceptance of the non-financial transfer/acquisition of the parcel known as the Watts Towers Cultural Crescent site formerly known as the Watts Cultural Crescent site. This will help the City to accomplish the goals of various redevelopment projects and to serve the public interest by the elimination of blight and the furtherance of economic development and the creation of new parks as proposed by the 50 Parks Initiative. The surrounding community is an area that is park deficient and would tremendously benefit from the additional open space park area. There will be no cost passed on

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to RAP for the acquisition/transfer of this site. One of the potential uses of the site is to acquire the site and develop a portion into a Skate Park. RAP has been working on developing a portion of the site into a Skate Park which would add much needed recreational activities to an area of the City that is lacking in active recreation and park space. As of the writing of this Report, there is no available information on the project development costs or final design.

On May 20, 2011, the Board through Board Report No. 11-136 granted conceptual approval of the Skate Park project. The proposed Skate Park Plaza as described in said report called for a 6-stair skate element with ledges, blocks, rails that would also feature benches that can be skated on. As part of the design, a center metal trellis structure would be built to tie into the design motive created by the Watts Towers. The Skate Park Plaza would have colored concrete patterns with complementary swirls that will be designed to complement the Watts Towers. To make the Skate Park Plaza aesthetically pleasing to every park user, the Skate Park Plaza will feature sustainable landscaping which will consist of low-maintenance California native grasses that will be watered with a Smart Irrigation system. The final plan design will be presented to the Board at a later date for final approval.

The re-dedication/addition of this open space parcel to RAP will allow for an increase in recreational activities in the area and completion of the proposed generous donation from the Tony Hawk Foundation and the Annenberg Foundation of the Skate Park Plaza development. The Council District 15 has expressed its strong support for this new park dedication.

A Phase I Environmental Site Assessment was prepared for the parcel proposed to be dedicated for park purposes in accordance with the standards for All Appropriate Inquiries. In addition, a limited number of soil samples were analyzed for potential contamination. The report concluded that there were no recognized environmental conditions or historically recognized environmental conditions on or near the parcel, and therefore, no further environmental studies were recommended. Since the parcel dedication involves the transfer of ownership of interests in land to preserve open space, this action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 25 of the City CEQA Guidelines. A separate CEQA determination will be made for the future development of the site when a plan is brought forward for Board approval.

This project has the support from Council District 15. In addition, the Superintendent for the Pacific Region has been consulted and concur with staff's recommendations.

### FISCAL IMPACT STATEMENT:

The proposed dedication will require an increase in maintenance cost demands and will require a budget increase. All cost for the acquisition and transfer of this parcel will be incurred by the CRA/LA and GSD and has no impact on RAP's General Fund. There will be no cost to RAP for

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the acquisition and/or transfer of this parcel. Approximately \$38,000.00 a year will be requested to maintain this facility. This amount will cover the cost for staffing, materials and supplies. This will also provide at least four (4) hours of maintenance per day, seven (7) days a week, year round. If the funding is not granted, this facility will be included in the existing Pacific Region routes resulting in reduction of core functions on existing routes.

This Report was prepared by John Barraza, Management Analyst II of Real Estate and Asset Management Unit, Planning, Construction and Maintenance.



RE: WATTS TOWERS CULTURAL CRESCENT - 6065-033-900 - EXHIBIT "A"



Notes  
Enter Notes



1:2,000

NAD83 / California zone 5  
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REPORT OF GENERAL MANAGER

NO. 14-219

DATE August 13, 2014

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EAST WILMINGTON GREENBELT COMMUNITY CENTER – PRELIMINARY AUTHORIZATION TO ACQUIRE REAL PROPERTY FOR EXPANSION, REMEDIATION, AND DEVELOPMENT

|            |                               |                   |
|------------|-------------------------------|-------------------|
| <i>for</i> | R. Adams _____                | V. Israel _____   |
|            | *R. Barajas <i>CBAD</i> _____ | K. Regan _____    |
|            | H. Fujita _____               | N. Williams _____ |

*[Signature]*  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Authorize Department of Recreation and Parks (RAP) staff to seek assistance from the Department of General Services (GSD), the Office of the City Attorney, and the Bureau of Engineering (BOE) in commencing negotiations for the expansion of the existing community center through the potential acquisition of the property totaling approximately 2.43 acres located at 845 North Sanford Avenue, Wilmington, California, bearing Assessor's Parcel Nos. 7425-011-803 and 7425-011-805;
2. Request the City Council to concur with the Board's action to authorize staff to negotiate with Union Pacific Railroad Company (UPR), the owner of the subject property, and thereby acknowledge that there is some possibility that acquisition of the property could impact the City's General Fund due to potential liability associated with contamination on the property, as more fully described in the Summary of this Report;
3. Authorize staff to seek the assistance of the Bureau of Engineering and other City or government agencies (as needed), to assess the environmental condition of the subject property, determine the required remediation process and expense to clean up the contamination thereon, and recommend ways to reduce City liability for such contamination ;

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4. Direct staff to commence an environmental analysis of the proposed project on the property under the California Environmental Quality Act (CEQA), and
5. Direct staff to report to the Board on the results of these activities, make further recommendations on the terms of any agreement to purchase, and obtain the Board's final approval before committing to purchase the property.

### SUMMARY:

#### The Property

Wilmington is a neighborhood in South Los Angeles covering 9.14 square miles. It has a heavy concentration of industry and the third largest oil field in the United States. For the last several years, RAP has been developing an area known as the East Wilmington Greenbelt into community recreational use (see Exhibit A). On the northern end of the Greenbelt is the East Wilmington Greenbelt Park located at 1359 L Street. It contains grassy areas, a playground, and picnic benches. On the southern end of the Greenbelt is the East Wilmington Greenbelt Community Center located at 918 North Sanford Avenue. The Center opened in 2006 and consists of a 9,800 square foot building with a basketball court, multi-purpose room, office, a storage area, and restrooms. The Center has 25 parking spaces. The community has indicated that additional outdoor play area and parking are needed. With the support of former Councilmember Janice Hahn (District 15), RAP has pursued the subject property as a potential site to expand the existing community center and provide the additional amenities desired.

The subject property measures approximately 2.43 acres and is owned by UPR. It is located at 845 North Sanford Avenue and bears Assessor's Parcel Numbers 7425-011-803 and -805. This property was formerly used as a railroad yard and is currently vacant open space (see Exhibit B).

#### Funding To Acquire The Property

The funding to acquire the subject property has been approved, with \$3,000,000.00 in State Proposition 40 Urban Park Grant funds, and \$1,000,000.00 in City Proposition K "L.A. for Kids" program funds. Additionally, there are \$1,067,000.00 in City Capital Improvement Expenditure Program Funds and \$1,245,000.00 in City Recreational Sites and Facilities Funds for a total of \$6,312,000.00. Under the current budget prepared by the BOE, there are additional soft costs to be absorbed by City totaling \$675,000.00. Thirty thousand (\$30,000.00) of this total cost is to be absorbed by RAP. The balance is to be absorbed by the BOE and the Bureau of Contract Administration (BCA). The grand total that is available to this project is \$6,987,000.00 (See Exhibit C). The approved funding provides for the expansion of the existing community center through the acquisition, remediation, and development of the subject property with recreational improvements

## REPORT OF GENERAL MANAGER

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that include sports fields, sports lighting, bleachers, picnic table, landscaping and a small parking lot within a secure, fenced setting (Project).

### Prior Efforts To Acquire The Property

The Board of Recreation and Park Commissioners (Board) efforts to acquire the subject property has a long history dating back to 2006.

On August 9, 2006, the Board, through Board Report No. 06-223 gave preliminary approval to enter negotiations with UPR to acquire the property. Initially, UPR wanted to sell the property to the City for \$1,200,000.00. However, during the City's due diligence investigation, it was discovered that the property had significant soil and groundwater contamination that required remediation. In partial recognition of the need for environmental clean-up of the property, UPR agreed to sell it to the City for a nominal fee of \$100.00.

On June 4, 2008, the Board, through Board Report No. 08-164, approved execution of a Purchase and Sale Agreement (PSA) with UPR for the subject property. However, during negotiations the parties reached an impasse regarding liability, indemnification, additional environmental testing, and information on the past use and present condition of the property. UPR insisted that City: (i) accept the property in its "As Is" condition; (ii) accept all liability for and indemnify UPR against all losses and liabilities related to the condition of the property; and (iii) not seek any records that UPR may have on environmental testing of the property.

On June 18, 2008, the Board, through Board Report No. 08-189, directed staff to continue negotiations with UPR with the condition that the acquisition would not expose RAP to any current or future liabilities that exceeded the approximate \$5,400,000.00 budgeted for the Project at that time. Staff continued negotiations with UPR, however, the impasse remained. On August 20, 2008, the Board, through Board Report No. 08-229, rescinded its approval of the acquisition, given UPR's unwillingness to modify any terms of the proposed transaction.

On September 2, 2008, pursuant to Charter Section 245, Councilmember Janice Hahn (Fifteenth Council District) introduced a motion for Council to assert jurisdiction over the Board's action of August 20, 2008 and to veto the Board's approval of Board Report No. 08-229. The Councilmember introduced this motion because she strongly supported acquisition of the subject property and disagreed with the Board's decision. Council's action on this motion resulted in the matter being remanded back to the Board. The Board having the authority it originally held to take action in the matter, authorized staff negotiations with UPR to continue. These negotiations culminated in the Board's October 3, 2008 approval of two (2) Donation Agreements between UPR and City for the property, through Board Report No. 08-276.

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The Donation Agreements superseded the prior PSA as the conveyance agreement between UPR and City for the property. The first Donation Agreement sets forth the conveyance terms for an area of the property, 25-feet wide along its northern border. This area has two underground petroleum pipelines and above ground equipment that UPR leases to Kinder Morgan, an energy company. UPR required that it retain an easement over this area and continue to receive revenue from the pipeline use. The second Donation Agreement set forth the conveyance terms for the remainder of the property. Under the two Donation Agreements, the City agreed to accept the entire property in its "As Is" condition and agreed to indemnify UPR from all liability for any known or potential contamination of the entire property. These Agreements stipulate a 240-day escrow period in order for the City to complete its due diligence efforts. Escrow opened on March 31, 2009. During the escrow period, City staff determined that it could not satisfy all the obligations of the two Donation Agreements. Consequently, on October 21, 2009, the Board, through Board Report No. 09-272, approved termination of the two Agreements.

On September 25, 2012, Councilmember Joe Buscaino, the new Councilmember for the Fifteenth Council District introduced a motion requesting the Board to reconsider acquisition of the subject property and authorize staff to re-open negotiations with UPR for this purpose. This motion was adopted by City Council on October 19, 2012. Attachment E includes all the past Board Reports and Motions associated with the proposed acquisition.

### Grant Requirements/Deadlines and Project Completion

As indicated above, there is \$6,987,000.00 available to fund this Project. Of this amount, the three million dollars (\$3,000,000.00) in Proposition 40 State funds originally had a grant deadline of June 30, 2010. In 2012, the State granted the City's request to extend the completion date of the Project to June 30, 2015. However, since the City has not completed acquisition of the property at this time, it is unlikely that it can meet this deadline. There are ongoing efforts to request a second extension for a Project completion date of 2018. Staff will keep the Board informed of the progress of this effort.

City staff has completed a conceptual design for the subject property, with said design complying with the scope requirements of both the Proposition 40 and Proposition K "LA for Kids Program" funding (See Exhibit D). This design is proposed to be awarded as a design build project to expedite the Project's development. The design will be on-going throughout the early stages of development and will be concurrent with the remedial action plan (described below) for the contamination on the property.

### Environmental Remediation of the Property

The City has conducted preliminary soils testing, as well as a detailed Initial Site Investigation to determine the types and extent of contamination, and therefore, has a general knowledge of the

## REPORT OF GENERAL MANAGER

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current conditions and contaminants on the property. City staff has met with and had informal consultation with the State Department of Toxic Substances Control (DTSC). A Remedial Action Plan (Plan) has been drafted and DTSC has given that Plan conceptual approval. No remedial work can occur until DTSC grants final approval of the Plan which will not occur until after City acquires the property. As indicated, the property has significant soil contamination, including widespread, high concentrations of arsenic and moderate amounts of lead, heavy hydrocarbons and Poly Chlorinated Bihenylys (PCB). The proposed Plan consists of excavating the upper six (6) feet of soil, removing it from the site, and treating the remaining soil with a cement-like substance that will harden and permanently bind metals in place. Then, the excavated area will be capped with a two-foot replacement layer of clean soil. It was estimated that this work would cost approximately \$2,500,000.00.

It is also known that the groundwater is contaminated with gasoline-related hydrocarbons such as benzene. Off-site sources of contamination are also possible. Under the proposed Plan, DTSC would require groundwater sampling plus a feasibility and pilot study of the proposed remedial methods. The draft Plan includes five (5) years of groundwater monitoring. It was estimated that this would cost approximately \$1,000,000.00.

It is the opinion of City staff that the Plan being considered for the subject property is sufficient to remediate it to park use standards. It is also believed that the environmental risk associated with acquisition and development of this property can be reduced to acceptable levels through: (i) City entering a Bona Fide Prospective Purchaser Agreement with DTSC which will shield City from most DTSC-imposed enforcement orders, fines and penalties as long as City complies with the described Plan; (ii) City entering a Voluntary Cleanup Agreement with DTSC for monitoring of City compliance with the Plan and DTSC issuance of a no-further-action letter (or similar document) upon completion of the Plan and (iii) City's potential purchase of limited liability insurance coverage that protects the City from third party injury and property damage resulting from pollutants emanating from the property.

### Liability for the Property

There are several options for dealing with liability associated with the active pipelines on the subject property. First, the area of the property which contains the pipeline (Pipeline Property) could be carved out of the property and ownership remains with UPR. This process could take 6-9 months and initiating the application with the Planning Department would require the cooperation of UPR. The advantage of this option is that liability for damages related to the pipeline would remain with UPR as owner of the Pipeline Property. Under this option, the City would still demand to be indemnified by UPR for any damages relating to the pipelines. Second, the entirety of the property could be transferred to the City, with UPR retaining an easement to maintain the pipelines and related equipment. Under this option, the City, as owner of the property, would be exposed to some

## REPORT OF GENERAL MANAGER

PG. 6                      NO. 14-219

liability for damages related to the pipelines. Of course the City would demand an appropriate indemnity from UPR. Third, the City could take ownership of the entirety of the property and: (i) receive no indemnity from UPR as concerns pipeline-related damages, or worse (ii) give an indemnity to UPR for its pipeline-related damages. Neither of these last two scenarios are deemed advisable by staff.

### Compliance with CEQA

Any future decision by the Board to approve the Project, including acquisition of the subject property, would be accompanied by the adoption of an appropriate CEQA document. In 2009, City staff had prepared a draft Mitigated Negative Declaration (MND) for release to public agencies and others for the required thirty (30) day public review and comment period. The MND was not released due to the City's termination of the escrow for the Donation Agreements. In directing staff to reopen negotiations with UPR, the Board will also be directing staff to prepare an updated environmental analysis of the Project. The decision of the Board to direct staff to take these actions does not require a CEQA clearance as such decision will not result in direct or indirect physical changes to the environment, and is therefore not a "Project" as defined in the State CEQA Guidelines (Section 15378 (b)(5) California Code of Regulations).

### City Council Concurrence with Proposed Acquisition of the Property

Under the City Charter, the Board has the authority to acquire property for park purposes with funds under its control. As indicated above, City staff believes that, in spite of the known contamination, the site can be sufficiently remediated to allow for park use. However, there is still a possibility that the City could be found liable for damage or injury caused by the condition of the Property. Such liability could impact the City's General Fund. As such, and since City Council controls the General Fund, it is recommended that the Board seek City Council's concurrence in the actions taken as set forth herein.

### FISCAL IMPACT STATEMENT:

As indicated above, there is approximately \$6,987,000.00 available for the expansion of the existing community center through the acquisition, remediation, and development of the subject property. Therefore, there will be no immediate impact to RAP's General Fund.

This report was prepared by Cid Macaraeg, Sr. Management Analyst II, Real Estate Section, Planning, Construction, and Maintenance Branch.

# Exhibit A

East Wilmington Greenbelt Park  
APN: 7425-023-804  
Board Report: 03-46

Wilmington Veterans Park  
APN: 7425-015-900  
Board Report: 05-133

East Wilmington Greenbelt Park  
APN: 7425-023-804  
Board Report: 03-46

Name Unknown  
APN: 7425-023-910, No BR.

Name Unknown  
APN: 7425-032-900  
Board Report: 03-46

E. Wilmington Community Center  
APN: 7425-036-900 (7425-036-800)  
Board Report: 03-46

845 N. Sanford Avenue  
APN: 7425-011-803, 7425-011-805  
Board Report: 08-276



**Exhibit B**



APN: 7425-011-803

APN: 7425-011-805

PROJECT TITLE 7/1/2014  
 East Wilmington Expansion Scope: Soccer Field, Bleachers Two Play Areas, Basketball Courts and Parking

| Activity | Company Name | Work Order | Phase | Revised Budget |
|----------|--------------|------------|-------|----------------|
|----------|--------------|------------|-------|----------------|

| Project Management    |                     | E170443A |       |                     |
|-----------------------|---------------------|----------|-------|---------------------|
| Project Mngmt.        | BOE                 |          | PM    | \$ 165,000 City BOE |
| PM Consultant         | Harris & Associates |          | PM    |                     |
| RAP Grants Admin/Acct | Rec and Parks       |          | Admin | \$ 90,000 Prop 40   |

| Other Direct Costs         |                           | E170443B |               |                           |
|----------------------------|---------------------------|----------|---------------|---------------------------|
| Survey (BOE)               | BOE                       |          | Design/Constr | \$ 25,000 Prop 40         |
| Survey (Consultant)        |                           |          | Design/Constr | \$ 25,000 Prop 40         |
| Environmental (RAP)        | BOE                       |          | Design/Constr | \$ 20,000 City RAP Staff  |
| Environmental (Consultant) |                           |          | Design/Constr | \$ 50,000 Prop 40         |
| Archeology (Consultant)    |                           |          | Design/Constr |                           |
| Geotech (BOE)              | BOE                       |          | Design/Constr | \$ 60,000 Prop 40         |
| Geotech (Consultant)       |                           |          | Design/Constr | \$ 60,000 Prop 40         |
| B&S PC/Permit              | Building & Safety         |          | Design        | \$ 75,000 Prop 40         |
| Public Works Permit Fees   | Public Works              |          | Fees          | \$ 10,000 Prop 40         |
| DTSC review & monitoring   | Haz Mat                   |          | Fees          | \$ 25,000 CIP             |
| DTSC review & monitoring   | Haz Mat                   |          | Fees          | \$ 25,000 Prop K          |
| DTSC review & monitoring   | Haz Mat                   |          | Fees          | \$ 30,000 Site & Facility |
| Planning Fees              | Planning Dept.            |          | Design        |                           |
| Arts Fee                   | Cultural Affairs          |          | Design        | \$ 52,000 Prop 40         |
| Quality & Standards        | BOE                       |          | Bid & Award   | \$ 5,000 Prop 40          |
| Printing                   | GSD, Cont. Graphics, etc. |          | Bid & Award   | \$ 5,000 Prop 40          |
| Advertising                | Local Newspapers          |          | Bid & Award   | \$ 900 Prop 40            |

| Design       |     | E170443D |        |                |
|--------------|-----|----------|--------|----------------|
| Consultant   |     |          | Design |                |
| RAP In-House | RAP |          | Design | City RAP Staff |

| Construction              |  | E170443F |        |                              |
|---------------------------|--|----------|--------|------------------------------|
| Contractor                | Haz Mat                                |          | Constr | \$ 1,000,000 CIP             |
|                           | Haz Mat                                |          |        | \$ 700,000 Prop K            |
|                           | Haz Mat                                |          |        | \$ 200,000 Site & Facility   |
|                           | Haz Mat                                |          |        | \$ 100,000 Prop 40           |
|                           | Ground Water Contamination Remediation |          |        | \$ 1,000,000 Site & Facility |
|                           | Grading                                |          |        | \$ 500,000 Prop 40           |
|                           | Parking Construction                   |          |        | \$ 30,000 Prop K             |
|                           | Parking Construction                   |          |        | \$ 2,000 Site & Facility     |
|                           | Restroom                               |          |        | \$ 270,000 Prop 40           |
|                           | Restroom Masonry                       |          |        | \$ 180,000 Not Funded        |
|                           | Soccer Field Play Areas                |          |        | \$ 1,209,000 Prop 40         |
|                           | 2 - Basketball Court                   |          |        | \$ 120,000 Prop 40           |
| Contingency 10%           | Non HAZ                                |          | Constr | \$ 213,000 Prop 40           |
| Contingency 10%           | HAZ+ Parking                           |          | Constr | \$ 245,000 Prop K            |
|                           | HAZ+ Parking                           |          | Constr | \$ 42,000 CIP                |
|                           | HAZ+ Parking                           |          | Constr | \$ 16,000 Not Funded         |
| Constr. Mgmt.             | BOE                                    |          | Constr | \$ 240,000 City BOE          |
| BCA - Inspection          | Bureau of Con. Admin.                  |          | Constr | \$ 240,000 City BCA          |
| GSD Construct. Forces     | GSD                                    |          | Constr |                              |
| Bureau of Street Lighting | BSL                                    |          | Constr |                              |
| Bureau of Street Services | BSS                                    |          | Constr |                              |
| Dept. of Transportation   | DOT                                    |          | Constr |                              |
| Information Tech. Agency  | ITA                                    |          | Constr | \$ 10,000 Prop 40            |
| Utilities                 | DWP, Gas, Phone, etc.                  |          | Constr | \$ 100,000 Prop 40           |

| Land Acquisition  |  | E170443L |          |                          |
|-------------------|--|----------|----------|--------------------------|
| Real Estate (BOE) |  |          | Land Acq | \$ -                     |
| Real Estate (RAP) |  |          | Land Acq | \$ 10,000 City RAP Staff |
| General Services  |  |          | Land Acq | \$ 10,000 Prop 40        |
| Site Assessment   |  |          | Land Acq | \$ 11,000 Prop 40        |
| Purchase Costs    |  |          | Land Acq | \$ 100 Prop 40           |

TOTAL PROJECT COST \$7,171,000  
 TOTAL FUNDING \$6,987,000  
 SHORT FALL \$184,000

|  | TOTAL FUNDING | Total Funding Allocated |
|--|---------------|-------------------------|
| Proposition K Competitive Grant =              | \$1,000,000   | \$1,000,000.00          |
| Proposition 40 Urban Park Grant =              | \$3,000,000   | \$3,000,000.00          |
| Capital Improvement Expenditure Program Fund = | \$1,067,000   | \$1,067,000.00          |
| Recreational Sites and Facilities Fund =       | \$1,245,000   | \$1,242,900.00          |
|  |               | \$6,309,900.00          |
| City RAP In Kind                               | \$30,000      | \$30,000.00             |
| City BOE In Kind                               | \$405,000     | \$405,000.00            |
| City BCA In Kind                               | \$240,000     | \$240,000.00            |

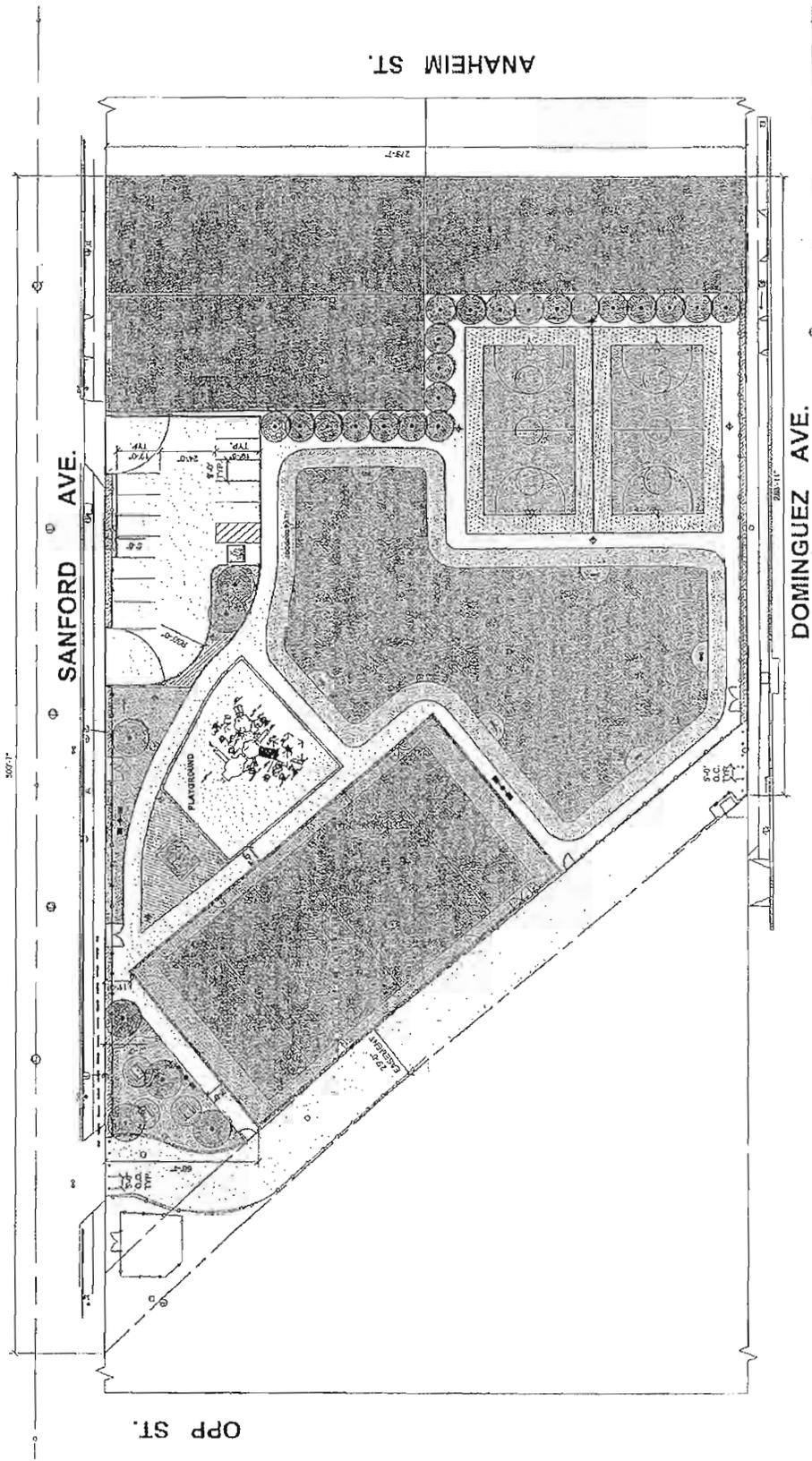
SHORT FALL

NOTE: Prop 40 cap on Soft Costs (25% = \$750,000) All Soft Cost Soft costs allocated to Prop 40: \$457,900.00 \$722,900.00

Insurance Haz Mat Land Acq \$157,872  
 CASH FLOW

APPROVED BY:

|                 |      |
|-----------------|------|
| Project Manager | Date |
| Program Manager | Date |
| Revision Date   |      |



**E. WILMINGTON GREENBELT PARK**

**CONCEPTUAL PLAN 2**

10-24-2012  
A.A.

**CITY OF LOS ANGELES**  
**DEPT. OF RECREATION AND PARKS**



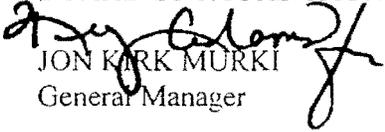
FOR INFORMATION ONLY

CITY OF LOS ANGELES  
DEPARTMENT OF RECREATION AND PARKS

October 24, 2012

TO: BOARD OF RECREATION AND PARKS COMMISSIONERS

FROM:

  
JON KIRK MURKI  
General Manager

SUBJECT: EAST WILMINGTON GREENBELT COMMUNITY CENTER UPDATE

BACKGROUND:

On August 9, 2006, the Board of Recreation and Park Commissioners (Board), through Board Report No. 06-223, gave preliminary approval to enter negotiations with Union Pacific Railroad Company (UP) to acquire property located at 845 North Sanford Avenue (APN 7425-011-803 & 804). The property measures approximately 2.43 acres and was intended to be developed with recreational improvements which included sports fields, sports lighting, bleachers, picnic tables, landscaping and a small parking lot within a secure, fenced setting.

Initially, the UP wanted to sell the property to the City for \$1,200,000. During the course of the City's due diligence investigation, it was discovered that the property had significant soils and groundwater contamination that needed to be cleaned up. In partial recognition of the need for environmental cleanup, the UP agreed to sell the property to the City for \$100. On June 4, 2008, the Board, through Board Report No. 08-164, approved the execution of a Purchase and Sale Agreement. During negotiations, Department of Recreation and Parks (Department) staff and UP reached an impasse regarding liability, indemnification, additional environmental testing and information on the past use and present condition of the site. It became apparent that the issues faced by Department staff were of a nature not typically experienced in park acquisitions; therefore, further direction from the Board was sought.

On June 18, 2008, the Board, through Board Report No. 08-189, directed Department staff to continue with negotiations with UP. The Board insisted the Purchase and Sale Agreement for the subject property not expose the Department to any current or future liabilities that exceed the approximate \$5,400,000 budgeted for this project. Staff continued negotiations with UP, however, the impasse remained.

On July 9, 2008, staff presented another informational report to the Board and the Board considered the acquisition in closed session at its meeting on July 23, 2008, in accordance with Government Code Section 54956.8.

On August 20, 2008, the Board, through Board Report No. 08-229, adopted staff recommendation to rescind its approval of the acquisition, given UP's unwillingness to modify any terms of the proposed transaction.

Councilmember Hahn of the Fifteenth District strongly supported the acquisition and disagreed with the Board's decision. In September 2, 2008, pursuant to Charter Section 245, the Councilmember introduced a motion for Council to assert jurisdiction over the Board's action on August 20, 2008 and to veto the Board's approval of Board Report No. 08-229 (See attached motion from Council File (CF) No. 08-2276). The motion to assert jurisdiction was adopted on September 9, 2008, and the matter was referred to the Arts, Parks, Health and Aging Committee. The full Council adopted the motion on September 23, 2008 (See attached report from City Clerk obtained from CF No. 08-2276).

Council's action resulted in the matter being remanded back to the Board. The Board having the authority it originally held to take action in the matter, authorized negotiations with UP to continue. These negotiations culminated in the Board's approval of two (2) donation agreements on October 3, 2008, through Board Report No. 08-276.

The donation agreements superseded the prior Purchase and Sale Agreement. One donation agreement involves a segment 25-feet wide along the northern border of the property. The segment has two underground petroleum pipelines and above ground equipment that UP leases to another firm. UP will retain an easement over this segment and continue receiving revenue from the third-party use. The other donation agreement concerns the rest of the adjacent UP site. Under the two donation agreements, the City agreed to accept the properties in their "As Is" condition and agreed to indemnify UP from all liability regarding any known or potential contamination of the property. The agreements stipulated a 240-day escrow period in order for the City to finalize all of its due diligence efforts. Escrow opened on March 31, 2009. During this escrow period, City staff determined that it could not satisfy all the obligations of the two donation agreements. On October 21, 2009, the Board, through Board Report No. 09-272, approved the termination of the two donation agreements.

At that time, the issues facing staff included: 1) Project Funding Shortfall of \$1,900,000; 2) Grant Requirements/Deadlines; 3) Environmental Remediation; 4) Compliance with the California Environmental Quality Act (CEQA); 5) Encroachment by adjacent property; 6) Indemnification and Liability.

Project Funding Shortfall of \$1.9 million

There is a total of \$5,367,530 from Proposition 40, Proposition K, and Capital Improvement Expenditure Program available for the project. As indicated previously, there is soil and groundwater contamination which must be removed and cleaned up. It is estimated that this will cost approximately \$3,500,000. The Project Manager for the Department of Public Work, Bureau of Engineering estimates that remediation and development costs will total nearly \$7,310,000. There is a projected shortfall of \$1,900,000 for the project. In 2009, there were no identified sources of funds to cover this.

Grant Requirements/Deadlines

In 2009, the Proposition 40 grants had a completion deadline of June 30, 2010. The deadline requires that the recreation project be complete, open to the public and all accounting documentation submitted to the State. Due to the delays in the acquisition, staff could not complete the requirements within the deadlines.

Environmental Remediation

As indicated above, the site has significant soil contamination, including widespread, high concentrations of arsenic and moderate amounts of lead, heavy hydrocarbons and Poly Chlorinated Biphenyls (PCB). Remediation will involve excavating the upper six (6) feet of soil, removing from the site, and treating the remaining soil with a cement-like substance that will harden and permanently bind metals in place. Then the site is capped with a two-foot replacement layer of clean soil. It is estimated that this will cost an additional \$2,500,000.

It is also known that the groundwater is contaminated with gasoline-related hydrocarbons such as benzene. Off-site sources of contamination are also possible. The State Department of Toxic Substances Control (DTSC) would require groundwater sampling plus a feasibility and pilot study of the proposed remedial methods. DTSC and City staffs were in the process of drafting an action plan that included five (5) years of groundwater monitoring. It is estimated that this will cost an additional \$1,000,000.

Compliance with CEQA

In 2009, City staff prepared a draft Mitigated Negative Declaration (MND) for release to public agencies and others for the required thirty (30) day public review and comment. This document was not released due to the termination of the donation agreements.

Encroachment by Adjacent Property

There are privately owned parcels extending from the southern border of the UP site to Anaheim Street which are used as a vehicle repair business and a storage/scrap yard. In 2009, it was discovered the firm operating this business had expanded its storage operations onto the UP site, completely occupying one of the parcels. The City tried to include terms in the donation agreement whereby UP would have the encroachments removed before the end of the escrow but UP refused. We have been informed that since the donation agreement was terminated, UP has since sold the parcel to the operating firm, consequently, reducing the amount of land it intends to sell to the City.

Indemnification and Liability

A condition of the donation agreement required that the City accept the property being donated in an "As Is" condition and that the City indemnify UP from all liability stemming from the prior use of the property. This condition has been opposed by the City Attorney who has advised against accepting this condition. The advice of the City Attorney is partially based on the uncertainty as to the true extent of the past and ongoing contamination, the encroachment on the property, the pending litigation affecting property and unknown variables. Further, the City Attorney has consistently advised against accepting liability from property owners. Should this acquisition have been completed with a condition whereby the City indemnifying UP as negotiated, this would have been unprecedented.

SUMMARY:

On October 21, 2009, the Board approved Board Report No. 09-272, which authorized staff to give notice to UP and Chicago Title Company, the escrow holder of the agreements, that the City elected to terminate the Donation Agreements and the related escrow concerning the acquisition of property owned by UP. Under this same Report, staff was also authorized to request assistance from other City entities, including the City Attorney and the Department of Public Works, Bureau of Engineering, in drafting, renegotiating and executing successor Donation Agreements and Escrow Instructions. It should be noted that on October 23, 2009, pursuant to Charter Section 245, the City Council adopted a motion to waive its review of the actions taken by the Board at its October 21, 2009 meeting.

On September 25, 2012, The Office of Councilmember Joe Buscaino, the new Councilman for Council District 15, introduced a motion to have the City Council request the Board to reconsider the East Wilmington Greenbelt project and authorize staff to re-enter negotiations to acquire this property from UP. This motion was referred to the Arts, Parks, Health and Aging Committee and review of this matter was waived by the committee on October 11, 2012. The motion was heard and adopted at full City Council on October 19, 2012 (See attached motion under CF No. 12-1531).

It has come to the attention of City Staff that UP is still interested in donating the property to the City for the creation of recreational improvements. There have also been developments concerning the issues faced by City staff in 2009 that may make the acquisition more acceptable to the Board today. These developments are as follows:

Project Funding Shortfall of \$1,900,000

At this time, the Bureau of Engineering is in the process of revising the budget for this project in light of the various developments surrounding the acquisition. It has been estimated that there should be enough funds available to complete the clean-up and development of the site into a sportsfield facility. The final revised budget will be presented to the Board for consideration as they become available.

Grant Requirements/Deadlines

As indicated above, the Proposition 40 grant required completion of the project by June 30, 2010. Subsequent to the Board's action on October 2009, the State granted an extension whereby the new project completion date is June 30, 2015. Under the State guidelines, the actual construction project must be completed no later than January 2015. City staff estimates that should the City obtain possession of the property by May 2013, the project can be completed by December 2014.

Environmental Remediation

At this time, the environmental remediation requirements remain the same. Both soil and groundwater clean-up is still required. Based on revisions to original cost estimates and other budget savings which BOE will determine, there may be some cost savings from original estimate of \$3,500,000 to do this work. This will help in the funding shortfall. Additional information can be provided when the Bureau of Engineering completes its revised budget.

Compliance with CEQA

The previous draft MND envisioned certain improvements to be built on the property. Due to the decision of UP to sell the parcel encroached upon by its adjacent neighbor, the footprint available for development has been reduced. The reduction in scope will have to be addressed in a new draft MND. Upon completion, the revised MND will have to be released to public agencies and others for the required thirty (30) day public review and comment. Upon the completion of this process, the MND will be presented to the Board for adoption.

Encroachment by Adjacent Property

As stated above, UP had decided to sell the parcel encroached upon by its adjacent neighbor, thereby reducing the available footprint available for development. As already indicated above, City staff will redesign the proposed project to fit the new footprint. As of the writing of this Informational Report, the Department has been informed that there could be a further encroachment by the same adjacent neighbor. Staff is currently investigating and will inform the Board of further developments.

Indemnification and Liability

Through the efforts of the City Administrative Officer and its Risk Management Division, the City has been presented with the option of purchasing limited liability insurance coverage. According to the Risk Manager, the insurance coverage protects the City from third party injury and property damage resulting from pollutants emanating from the property. The City can purchase a policy that gives it a \$5,000,000 limit at a cost of \$113,646 or a \$10,000,000 limit at a cost of \$157,872. This covers the City for a five (5) year period. The premiums described here cover this time period. Coverage for a ten (10) year period can also be purchased at a higher rate should the City decide to do so. According to the City Administrative Officer, there are sufficient funds in the City's Pipeline Franchise Fee Account (Fund No. 697/14/140200) to pay for these premiums. The City Attorney's Office recommends the Department seek instead to have UP fully indemnify the City.

Based on the developments on the issues described above and authority previously granted by the Board through its action on October 21, 2009, there is sufficient information to reconsider the acquisition of the East Wilmington Community Center site as requested by Council District Fifteen (15). Therefore, in accordance with recommendation No. 2 of Board Report No. 09-272 approved by the Board on October 21, 2009, Staff will begin new discussions with UP and continue its due diligence work for consideration of the acquisition of the UP property. Should there be sufficient progress to complete successor donation agreements and/or a purchase and sale agreement, these will be presented to the Board for final approval.

This report was prepared by Cid Macaraeg, Sr. Management Analyst II, Planning, Construction and Maintenance Branch.

**APPROVED**  
AUG 09 2006

REPORT OF GENERAL MANAGER

NO. 06-223

DATE August 9, 2006

**BOARD OF RECREATION  
and PARK COMMISSIONERS**

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EAST WILMINGTON GREENBELT COMMUNITY CENTER - ACQUISITION  
FOR EXPANSION

|            |       |          |       |
|------------|-------|----------|-------|
| J. Combs   | _____ | J. Kolb  | _____ |
| H. Fujita  | _____ | F. Mok   | _____ |
| S. Huntley | _____ | K. Regan | _____ |
| B. Jensen  | _____ | Shull    | _____ |

*AS COMMISSIONER*

*Dir. for P.H.S.*

*Robert H. Jensen (Sr.)*  
General Manager

Approved                     

Disapproved                     

Withdrawn                     

RECOMMENDATION:

That the Board:

1. Authorize staff to assist the Office of Council District Fifteen, the Department of General Services, the Office of the City Attorney and the Bureau of Engineering in negotiating the acquisition of property with the tentative address of 845 N. Sanford Avenue in the community of Wilmington, said property being owned by Union Pacific Railroad;
2. Approve the filing of a Certificate of Compliance and any other documents needed in order to separate legally, for Union Pacific's retention, the property segment containing an underground pipeline and an above-ground, GATX valve manifold and pump station or alternatively, to propose granting an easement of this segment to Union Pacific, provided that the resulting risk of liability is acceptable to the City's Risk Manager;
3. Authorize staff to assist the Bureau of Engineering and the Environmental Affairs Department in identifying and obtaining funds to implement the remediation of soil contaminates disclosed in the Phase II assessment; and,
4. Direct staff to report to the Board on the results of these activities and make further recommendations on the terms of the Purchase and Sale Agreement before committing to acquire the property.

REPORT OF GENERAL MANAGER

PG. 2 NO. 06-223

SUMMARY:

For several years the Department has been developing, for community recreational use, property in an area known as the East Wilmington Greenbelt. Toward the northern end of the Greenbelt is Wilmington Veterans Park, which will be expanded by the adjacent vacant lot on the west that was recently acquired (Watson Avenue acquisition, Board Report No. 05-133). A temporary Certificate of Occupancy was issued on June 28, 2006, for the new East Wilmington Greenbelt Community Center at 918 N. Sanford Avenue. The 9,800 square-foot building has a basketball court, a multi-purpose room, an office and storage area, and restrooms. There are also 25 parking spaces. However, the site is not large enough to accommodate an additional outdoor play area.

The Council Office wants to expand the Community Center by providing two sports fields and more parking. They have requested that the Department acquire vacant property located across Sanford Avenue from the Center; the property is owned by Union Pacific Railroad (two parcels, APN 7425-011-803 and -804, totaling 2.43 acres). The address of this second site is tentatively listed as 845 N. Sanford Avenue. The City has been approved for \$3,000,000 from the Proposition 40 "Urban Parks" program of which \$2,910,000 will be available for the site's acquisition and development and 3% is set aside for administrative costs. An additional \$150,000 each is available from the Proposition 40 2/3 Per Capita and the Proposition 40 1/3 Per Capita Roberti-Z'berg-Harris programs. Finally, \$1,000,000 has been ~~approved from the Proposition K "L. A. for Kids" program, Year 11, for site development only.~~ <sup>included in</sup> The current funding for acquisition and development totals \$4,210,000.

Union Pacific has agreed to a sales price of \$1,450,000, which is supported by the Class "C" estimate of value prepared by the Asset Management Division of General Services. As a result of preliminary negotiations, it appears that there are two main issues: environmental remediation and Union Pacific's intent to keep control of the area containing three underground pipelines and an adjoining above ground GATX valve manifold and pump station. The pipeline extends along all of the northern edge of parcel 7425-011-803. Pending future Board approval, the resolution of these two issues will be incorporated into the proposed Purchase and Sale Agreement or PSA (Union Pacific folder No. 1794-76).

Environmental Remediation

Correspondence dated June 15, 2006, from the City's Geotechnical Engineering Division summarized the findings of the Phase II site assessment. Most of the two parcels have lead and arsenic in concentrations higher than levels generally judged to require action. The likely source is the past use of strong lubricants and pesticides, a common practice at industrial sites in previous decades. One remediation method, encapsulation, seems the most effective relative to costs and the intended use of the site. This method consists of fixing an impermeable cap on top of the

## REPORT OF GENERAL MANAGER

PG. 3

NO. 06-223

contaminated soil and then importing clean soil to place on top, compacted to a depth of two to three feet. Doing so will provide for drainage and the installation of an irrigation system for the site; the cap will keep water from causing the contaminants to migrate. The cost of this remediation is estimated at \$1,000,000 to \$1,500,000 and includes the new soil. The estimate does not include building a retaining wall that will likely be needed because of the resulting elevation of the ground. Estimates for the retaining wall range from \$750,000 to \$1,500,000.

The design for the site will include prefabricated restrooms totaling 600 square feet. Otherwise, kids and others playing at the site would need to cross Sanford Avenue to use restrooms at the Community Center. By choosing a modified restroom design, the Bureau of Engineering will be better able to accomplish the methane remediation needed in order to place a restroom near the two new fields. (Methane remediation is typically required for structures since they allow the gas to concentrate and not dissipate below "actionable" levels. Methane remediation can include a methane barrier, venting and if required, active monitoring of methane levels.)

Various aspects of the remediation may require certification by a City geotechnical engineer, approval from the Grading Division of Building and Safety and notification to the state Department of Toxic Substances Control. The Environmental Affairs Department will seek grant funding from various "brownfield" programs. The Phase II assessment was funded by the Environmental Protection Agency, which approved the sampling techniques.

The draft PSA states that the sale of the property is predicated on the City's accepting the site "as it is" with full knowledge of its past use as a railroad right-of-way. Union Pacific has received the Phase II assessment and will be asked to reduce the sales price or otherwise contribute to the required remediation.

### Pipeline Segment

Along the northern edge of Parcel No. 7425-011-803, there are three underground pipelines licensed by Union Pacific for use by the firm of Kinder Morgan Energy Partners. There is also an attached, above-ground GATX valve manifold and pump station. This equipment is part of a system conveying gasoline from the Los Angeles harbor to a terminal in Carson.

Union Pacific wishes to continue the revenue stream obtained from Kinder Morgan. In an earlier version of the PSA, the City was to acquire the entire parcel and grant Union Pacific an easement. However, the indemnification and liability provisions in the PSA were judged too onerous by both the City Attorney's Real Property and Environment Division and the Department's Risk Manager. There was, moreover, the separate liability involved with the third-party agreement with Kinder Morgan. Instead, it was proposed that the legal description of the parcel be modified to separate a segment of approximately 370 by 25 feet along the northern edge and create a new legal parcel by

REPORT OF GENERAL MANAGER

PG. 4 NO. 06-223

subdivision. Union Pacific would retain fee title to this segment, which is approximately 9,010 square feet or 0.21 acre and eight percent of the total acreage of both parcels. The most recent draft of the PSA follows this scenario; the revised liability wording is more favorable to the City.

In order for the lot split to occur, the City Planning Department must approve a "Certificate of Compliance" because the pipeline segment has a narrow, non-conforming width. There is also the matter of the new segment's development and upkeep. Union Pacific does not want the public to have access to the segment but wants it fenced and gated. They also want the City to enter into a "beautification lease" whereby the City develops and maintains the segment; the lease has no provision for reimbursing the City. It will cost an additional \$200,000 if the City is to develop the new segment.

While these outstanding issues are significant, City staff involved with the project wish to proceed with the negotiations. The site has the potential to greatly expand the public's enjoyment of the adjacent East Wilmington Greenbelt Community Center. Staff also recognizes that much of the other vacant or readily available property in this industrialized area is likely to need some level of remediation.

The applicability of the California Environmental Quality Act will be addressed the next time the acquisition is presented to the Board. Therefore, no final approval to acquire the site is given by the action now being recommended to the Board.

The Office of Council District Fifteen, the Assistant General Manager of Operations East and the Superintendent of Pacific Region concur with staff's recommendations.

FISCAL IMPACT STATEMENT:

As of now, the sales price is \$1,450,000 with associated escrow and title fees of \$8,000. Remediation is estimated to cost over \$1,000,000. The retaining wall could total an additional \$1,000,000. Developing two sports fields with fencing and security lighting, adjacent restrooms and a parking area is estimated to cost \$3,000,000. Obtaining an American Land Title Association or ALTA survey, required by Union Pacific, has cost \$9,500 since the City did not have the relevant expertise. (ALTA surveys adhere to standards used nation-wide and are often used for commercial-property transactions involving parties from out of state.) The application to the City Planning Department for a Certificate of Compliance will cost \$740.

The funds currently approved for the site's acquisition and development total \$4,210,000. This sum consists of the following sources: Proposition 40 "Urban Parks" program \$2,910,000 (a \$3,000,000 award less 3% administrative costs), \$150,000 each from the Proposition 40 2/3 Per Capita and the Proposition 40 1/3 Per Capita Roberti-Z' Berg-Harris programs and \$1,000,000 from Proposition K,

REPORT OF GENERAL MANAGER

PG. 5

NO. 06-223

Year 11(for site development only). Given these estimates of costs and available funding, the potential shortfall for the proposed acquisition, remediation and development of the site ranges from \$2,000,000 to \$3,000,000.

Report prepared by Joan Reitzel, Senior Management Analyst in Real Estate and Asset Management.



APPROVED

JUN 04 2008

REPORT OF GENERAL MANAGER

NO. 08-164

DATE June 4, 2008

BOARD OF RECREATION  
and PARK COMMISSIONERS

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EAST WILMINGTON GREENBELT COMMUNITY CENTER - ACQUISITION FOR EXPANSION

|                  |                 |
|------------------|-----------------|
| R. Adonis _____  | J. Koib _____   |
| H. Fujita _____  | F. Mok _____    |
| S. Huntley _____ | K. Regan _____  |
| V. Israel _____  | *M. Shull _____ |

*[Signature]*  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Adopt the Resolution, on file in the Board Office, authorizing staff, in accordance with Charter Section 594 (a), to seek assistance from the Department of General Services and the Office of the City Attorney to complete the acquisition of two adjacent parcels totaling 2.43 acres and owned by Union Pacific (UP) Railroad, the parcels being located across Sanford Avenue from the new East Wilmington Greenbelt Community Center and having Assessor Parcel Numbers of 7425-011-803 and -804 (also collectively known as UP Folder No. 1794-76);
2. Authorize the Board President and Secretary to execute a Purchase and Sale Agreement (PSA) in accordance with the terms outlined in the Summary of this report;
3. Authorize the Board Secretary, upon the successful close of escrow, to accept the Grant Deed to the parcels, which are to be set apart and dedicated as park property in perpetuity;
4. Authorize the Board Secretary to express appreciation to UP on behalf of the Board for the donation of this acreage for public recreational use;
5. Direct staff to assist the Bureau of Engineering, Environmental Affairs and other entities with site remediation;

## REPORT OF GENERAL MANAGER

PG. 2            NO. 08-164

6. Authorize staff to assist the Bureau of Engineering with site development in accordance with previously approved funding (Report No. 06-223); and,
7. Authorize staff to seek additional grant funding in order to add amenities to the initial plans for site development.

### SUMMARY:

On August 9, 2006, the Board gave preliminary approval to the acquisition of 2.43 acres of vacant land with the tentative address of 845 North Sanford Avenue in the community of Wilmington (Report No. 06-223). This land is across Sanford Avenue from a new Department community center consisting of a 9,800 square-foot building having a basketball court, multi-purpose room, an office, storage area and restrooms. There is also a small parking lot. The existing site is not large enough for an outdoor play area, hence the need for the proposed expansion to the vacant land. If acquired, it will be developed with two sports fields and associated amenities, including security lighting and fencing, a play area, small parking lot and a modular restroom.

Since obtaining the Board's initial approval, City staff negotiated with UP the terms of a Purchase and Sale Agreement (PSA). The agreed-upon sales price was \$1.2 million until several issues arose that required further study and resolution. One such issue was UP's intent to keep control of a 25-foot wide segment along the northern edge of the property that contains underground pipes with an attached, above-ground pump station and valve manifold. The equipment is part of a system conveying gasoline from the Los Angeles harbor to a terminal in Carson. UP wanted to continue the revenue stream provided by the use of the pipeline segment by the firm of Kinder Morgan Energy Partners. This plan became problematic because of UP's insistence on liability terms that both the City Attorney and City Risk Management found onerous.

A second issue was the extent and cost of the proposed environmental remediation. The City's Geotechnical Engineering Division oversaw both an initial and expanded Phase II site assessment and communicated the results to UP. The recommended remediation method involves both fixation and encapsulation because the combination seems the most effective for the City's intended use. The site will be excavated to a depth of six feet and a pre-determined amount of contaminated soil removed. The rest of the excavated soil will be "fixed" with a cement-like mixture to prevent the soil from contaminating ground water and also to form an impermeable cap. Over this will be placed clean soil, compacted to a depth of two feet. The top layer will provide for drainage and an irrigation system: the cap will prevent surface water from causing underground contaminants to migrate. The cost of the remediation plan is now estimated at \$2.5 million. The Environmental Affairs Department has obtained a \$200,000 grant from the federal Environmental Protection

REPORT OF GENERAL MANAGER

PG. 3                      NO. 08-164

Agency (EPA) for use at the site provided that escrow closes before June 30, 2008. City staff will work to meet this deadline if the Board approves the acquisition. If the deadline cannot be met, City staff will reapply for funding in the next EPA grant cycle.

Recently and perhaps in recognition of the environmental disclosures, UP agreed to donate the property to the City; therefore, the acquisition costs consist of a \$100 token purchase price plus escrow and title-report fees of less than \$25,000. This sum is available in Fund No. 205, Department No. 89, Account No. WV03 (Proposition 40, Urban Parks). The project manager from the Bureau of Engineering (BOE) estimates that site development, including design costs, will total approximately \$2.9 million. The available funding from Proposition 40 is \$3.2 million. There is also \$1 million from the competitive Proposition K program (\$100,000 for Fiscal Year 09/10 and \$900,000 for Fiscal Year 10/11) and \$1 million from the City's Capital Improvement Expenditure Program, to be appropriated by Public Works.

With the EPA funding, the total amount available for this project is \$5.4 million, which is the anticipated cost of site remediation and design/development. The BOE project manager believes that the City can meet the Proposition 40 grant-liquidation deadline of June 30, 2010. By then, the new amenities must be ready for public use with all required documentation submitted to the State. On May 29, 2008, the "L.A. for Kids" Steering Committee recommended that the project proceed and that BOE begin design activity upon the opening of escrow.

The revised PSA will contain a provision for an access easement to UP for the pipeline segment and above-ground equipment. Other provisions are technical, such as escrow instructions and the inclusion of an American Land Title Association survey. As for liability, UP has agreed to provide a statement that they do not know of any legal impediment to the City's acquiring the property, such as the potential for future litigation. The revised PSA will also have wording to confirm the acceptable limits of the City's liability.

Departmental environmental staff has determined that the proposed project consists of the acquisition of vacant land in order to preserve it as open space for park purposes and to provide for outdoor recreation as an adjunct to the East Wilmington Greenbelt Community Center, located at 918 North Sanford Avenue. The project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 11 (3, 6) and Class 25 (5) of the City CEQA Guidelines.

The Office of Council District Fifteen, the Assistant General Manager of Operations East and the Superintendent of Pacific Region concur with staff's recommendations.

REPORT OF GENERAL MANAGER

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FISCAL IMPACT STATEMENT:

Adequate funding has been identified for the acquisition and remediation of this property and for recreational design and development. Therefore, there is no immediate, anticipated impact to the Department's General Fund. Once the recreational amenities are completed, Region staff estimates that annual site operation and maintenance will cost approximately \$90,000. Should the acquisition be successful, a budget request will be submitted for this sum in the future.

This report was prepared by Joan Reitzel, Senior Management Analyst, Real Estate and Asset Management Section of the Planning and Development Division.

**APPROVED**  
JUN 18 2008

REPORT OF GENERAL MANAGER

NO. 08-189

DATE June 18, 2008

BOARD OF RECREATION  
and PARK COMMISSIONERS

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EAST WILMINGTON GREENBELT COMMUNITY CENTER - DIRECTION TO STAFF ON WHETHER TO PROCEED WITH THE ACQUISITION FOR EXPANSION

|            |       |          |       |
|------------|-------|----------|-------|
| R. Adams   | _____ | J. Kolb  | _____ |
| H. Fujita  | _____ | F. Mok   | _____ |
| S. Huntley | _____ | K. Regan | _____ |
| V. Israel  | _____ | M. Shull | _____ |

*With direction to staff - see attached (see p. 24)*

*[Signature]*  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board direct staff with respect to continuing or ceasing activity intended to acquire, remediate and develop two adjacent parcels totaling 2.43 acres and owned by Union Pacific (UP) Railroad as described in Resolution No. 10237, adopted by the Board at its meeting of June 4, 2008 (Report No. 08-164).

SUMMARY:

On June 4, 2008, the Board gave final approval to acquire two vacant parcels (APNs 7425-011-803 and -804, UP folder 1794-76) in the community of Wilmington, across Sanford Avenue from the Department's new community center. At the time of seeking this approval, Department and other City staff had concluded that a mutually acceptable Purchase and Sale Agreement (PSA) could soon be executed. Staff also thought that the City had estimated accurately the tasks and costs of the site's environmental remediation, given the expectation that the final terms of the PSA would reflect a minimally acceptable, limited level of future liability for the site. Subsequent communications with UP's real estate staff on certain terms of the PSA indicate that further disclosure to the Board is warranted with further direction sought concerning the acquisition. The issues and UP's positions are outlined below. UP indicated on June 10, 2008, that these positions are final. They continue to agree to donate the two parcels, totaling 2.43 acres, for the nominal sum of \$100. For this reason, the most recent versions of the PSA have been titled a "Donation Agreement".

## REPORT OF GENERAL MANAGER

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### Environmental Remediation/Liability

Board Report No. 08-164 states that the City's Geotechnical Division had recommended a course of action for soil remediation that was estimated to cost \$2.5 million. The report also described the actions to be taken in response to discovering arsenic, lead and other contamination. The latest Donation Agreement states that in the past the site, besides being a railroad right-of-way, has had an electric substation, two oil wells and three above-ground, petroleum storage tanks. In the course of the Phase II assessments performed on behalf of the City, there were two samplings of groundwater close to the area of underground fuel pipes; these pipes extend along the northern border of the northernmost parcel. The samplings disclosed the presence of volatile organic compounds, including the carcinogen benzene. Accordingly, the City added a provision to the Donation Agreement indicating that UP was to bear liability connected to groundwater contamination. UP has refused.

There may be further groundwater contamination away from these two samplings, for instance, the presence of a contaminated groundwater plume. City geotechnical staff estimates that a complete groundwater study will cost approximately \$30,000. If required by regulatory agencies, the installation and monitoring of wells to obtain further data will cost approximately \$200,000 over an expected two-year period with the costs of groundwater remediation ranging from \$500,000 to \$1,000,000. This combined total of \$730,000 to \$1,230,000 is in addition to the \$2.5 million already identified and allocated for soil remediation. The City's current plan does not include any remediation of the area called the "pipeline segment" because at the time of estimating activity/costs, it was thought that UP would retain ownership of the segment and that it would be fenced off from the public. This is no longer the plan because of the difficulty in processing a "lot split".

UP is unwilling to accept any environmental or other liability for their property, including the pipeline segment. This refusal puts the City in a difficult position since UP has not provided documentation that might relate to the site's past or current legal status or use. UP requires the City to give it a full release regarding any and all conditions or liability from the past extending into the future and to be indemnified and defended from all risks and costs relating in any way to the entire property.

### Easement for the Pipeline Segment

A condition of the acquisition is that UP will retain a perpetual easement over a segment, 25 feet wide, that contains the underground pipelines and the attached, above-ground manifold valve and pump station. UP will then continue their current arrangement with the firms of Kinder Morgan and Phillips Petroleum on the use of this equipment and will continue collecting revenue. If UP is granted an easement, the City needs to have terms ensuring that the future use of the segment by any third party adheres to applicable regulations. The City should also require periodic submittal of State Fire Marshall inspections, etc. The City needs protection if it becomes the fee owner of the segment since UP insists that the City accept full liability for any future activity or condition.

## REPORT OF GENERAL MANAGER

PG. 3 NO. 08-189

It is unclear to what extent the City would have effective use of the surface of the pipeline segment or easement, which occupies about a tenth of the total UP site. The transfer document specifically focused on the segment forms a separate Donation Agreement, recently developed by UP and labeled "2504-65". Most of the terms match those in the original Donation Agreement, which is labeled "1794-76" and concerns the rest of the UP property; however, there are severe restrictions on the City's future use of the easement's surface.

Article 1 (a, b) of Donation Agreement No. 2504-65 states that in addition to leaving the pipeline easement unencumbered by structures, the City cannot "make any improvement" to the easement "without the prior written approval of Seller, its successors and assigns" as well as the approval of the two private firms having a license agreement or lease with UP and their "successors and assigns". The City is not to "interfere in any manner with the rights" of these two firms contained in their agreement/lease with UP. Finally, the City is forbidden to fence off the easement, including the above-ground valve manifold and pump station; this prohibition will leave the equipment vulnerable to vandalism and accidental damage from the general public.

A literal interpretation of these terms would keep the City from initially landscaping the surface of the easement for passive public use unless the City obtains written approval from all three entities. Taken together, these sections have the potential for creating onerous operational requirements for the City at the same time that the City is to retain all liability for any future condition of the easement.

### Non-Disclosure or Submittal of Documents

Some time ago, the City Attorney requested that UP send documentation concerning any complaints or lawsuits, hazardous materials, leases and other agreements, etc., pertaining to the property's past use and present condition. There was no response from UP. In May 2008 the City first learned about the existence of two current agreements affecting the pipeline segment; one is with Phillips Petroleum, and the other is with Kinder Morgan. UP has declined to make these documents available to the City. UP has also been most concerned about the City's not disclosing to a third party environmental information gained from the Phase II assessments; for example, UP did not want the City to voluntarily seek to cooperate with the California Department of Toxic Substances Control on the development of a remediation action plan.

UP stated in a separate document on June 10, 2008, that they do not know of any legal impediment to the City's acquiring the property, including any relevant court actions. However, the City Attorney learned of Case No. BC 319170 filed in Los Angeles Superior Court in May 2006 in which UP is the plaintiff and the firms of Santa Fe Pacific Pipelines and Kinder Morgan are the defendants. The summary refers to an "ongoing dispute concerning Union Pacific's production of documents...concerning environmental contamination and/or clean-up on or adjacent to Union Pacific's (or its predecessor's) right-of-way." Attached to the summary are three lists of sites covered by the case. Several of those in Los Angeles seem unrelated to the Wilmington property, but it is not possible to determine the location of all the City citations. This case seems ongoing and

## REPORT OF GENERAL MANAGER

PG. 4 NO. 08-189

related to a continuing, multi-year dispute between Kinder Morgan and UP on fees due UP for the use of pipelines beneath its property in California and elsewhere.

The City wanted escrow instructions to contain a provision regarding documentary disclosure, especially since the City is supposed to accept all current and future liability for the entire site. UP did not agree to the City's escrow provision but did agree to a very limited amount of disclosure. They are willing to disclose relevant real estate records kept in their Omaha, Nebraska, office and associated with certain physical "mile posts"; however, records citing the two Wilmington parcels that also cite other UP property need not be disclosed or made available to the City. Furthermore, UP declined to make an independent investigation of relevant documents or circumstances but instead will restrict its "representations and warranties" to those currently known to the Omaha real-estate liaison involved with the Donation Agreements.

The City's acquisition, remediation and development of the UP property would greatly enhance the public's use of the Department's new community center; that site is not large enough for outdoor sports. The preliminary design for the UP property includes two sports fields and another play area, security lighting, modular restrooms and a small parking lot. The direction being sought from the Board through this report is whether these advantages are outweighed by the potential liability and costs contained in the two Donation Agreements that UP considers to be final and non-negotiable.

The Assistant General Manager of Operations West and the Superintendent of Pacific Region concur with staff's analysis.

### FISCAL IMPACT STATEMENT:

There is uncertainty regarding the City's total, potential liability resulting from this project, given UP's terms in the two Donation Agreements and unwillingness to provide assurance that there are no legal issues involving the site. Moreover, there are not sufficient funds to add the \$730,000 - \$1,230,000 cost of groundwater testing and remediation to the total sum of \$5.5 million available for the project, which is to fund soil remediation and site development outside the pipeline segment. The \$5.5 million includes \$200,000 in remediation funds from the federal Environmental Protection Agency (EPA) that may be lost if not renewed in their next grant cycle; such an action did occur on another Department project. (The current EPA award is conditioned upon escrow closing by June 30, 2008).

There is a total of \$3.3 million available from Proposition 40. The grant deadline for the \$3 million in competitive "Urban Park" funding is June 30, 2010, while the deadline for the \$150,000 each in discretionary "per capita" and "Roberti Z-Berg Harris" funding is June 30, 2011. The planned amenities funded through these programs must be completed and ready for public use by the deadline. The project manager from the Bureau of Engineering indicates that if escrow does not close by September 2008, there will be insufficient time to meet the earlier grant deadline. The state is agreeable to the City's applying to relocate the project to a nearby site that will serve the same Wilmington community; however, staff has been unable to identify a substitute site large enough to

REPORT OF GENERAL MANAGER

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accommodate the two sports fields, which are a requirement of the "Urban Park" grant. If the City does not acquire the UP property, the \$3 million in competitive Proposition 40 funds will be lost. The remaining \$300,000 in Proposition 40 funds can be used for another project at the discretion of Council District Fifteen. Even if the City does acquire the UP property, the need to test and monitor for groundwater contamination may delay the start of site development and hinder its progress so that the project could not be completed by the 2010 close-out deadline for the "Urban Park" grant.

This report was prepared by Joan Reitzel, Senior Management Analyst in Real Estate and Asset Management, Planning and Development Division.

EXCERPT FROM THE MINUTES OF THE SPECIAL MEETING  
BOARD OF RECREATION AND PARK COMMISSIONERS  
JUNE 18, 2008

08-189:

EAST WILMINGTON GREENBELT COMMUNITY CENTER – DIRECTION TO STAFF  
ON WHETHER TO PROCEED WITH THE ACQUISITION FOR EXPANSION

President Barry Sanders instructed staff to continue negotiations with Union Pacific Railroad (UAP) and to seek an agreement that will not present any current or future liabilities that will cause the Department to exceed the approximate \$5.4 million dollars budgeted for this project.

Board Report 08-164, which directed staff to proceed with the acquisition of property for the expansion of the East Wilmington Greenbelt Community Center, is continued and is on file, but subject to the changes and instructions on negotiations as communicated by the Board.

**APPROVED**

REPORT OF GENERAL MANAGER

AUG 20 2008

NO. 08-229

DATE August 20, 2008

**BOARD OF RECREATION  
and PARK COMMISSIONERS**

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EAST WILMINGTON GREENBELT COMMUNITY CENTER – RESCISSION  
OF APPROVAL OF AN ACQUISITION FOR EXPANSION

|            |       |           |                 |
|------------|-------|-----------|-----------------|
| R. Adams   | _____ | J. Koib   | _____           |
| H. Fujita  | _____ | F. Mok    | _____           |
| S. Huntley | _____ | K. Regan  | _____           |
| V. Israel  | _____ | *M. Shull | <i>for M.S.</i> |

*[Signature]*  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

**RECOMMENDATION:**

That the Board:

1. Rescind the adoption on June 4, 2008, of Resolution No. 10237 authorizing staff, in accordance with Charter Section 594 (a), to seek assistance from the Department of General Services and the Office of the City Attorney to complete the acquisition of two adjacent parcels totaling 2.43 acres and owned by Union Pacific (UP) Railroad, the parcels being located across Sanford Avenue from the new East Wilmington Greenbelt Community Center; and
2. Authorize staff to request the Department of General Services to communicate to UP that the City will not be acquiring the property under the current terms of the Donation Agreements.

**SUMMARY:**

The Office of Council District Fifteen initiated and still strongly supports the acquisition of the two vacant parcels, a project that has involved Department staff since the fall of 2003. Early in the negotiations, UP submitted a Purchase and Sale Agreement (PSA) to the City with an initial purchase price of \$1,450,000; UP later reduced this sum to \$1,200,000. The Department then secured initial funding for site acquisition and development. On August 9, 2006, the Board gave preliminary approval to the acquisition of the two vacant parcels, which have the tentative address of 845 North Sanford Avenue (Report No. 06-223). The Assessor Parcel Numbers are 7425-011-803 and -804; the property is known to UP as Real Estate Folder No. 1794-76.

REPORT OF GENERAL MANAGER

PG. 2 NO. 08-229

After the Board's initial approval, geotechnical staff in the Bureau of Engineering (BOE) worked with the Environmental Affairs Department to conduct a further Phase II assessment. The results were given to UP. Perhaps in recognition of the need for remediation, UP agreed to donate the site for the nominal sum of \$100. By mid-2008, it seemed possible to agree on other terms of the acquisition, especially after a conference call involving the Councilmember, Department staff and UP. Accordingly, staff sought final approval from the Board, which was obtained on June 4, 2008, by the adoption of Resolution No. 10237 (Report No. 08-164).

Soon afterward, UP indicated that their understanding of the negotiations differed from the City's understanding. On June 10, 2008, UP rejected the revisions to the two Donation Agreements, successors to the PSA, that the City had submitted the previous day. The revisions focused on liability, indemnification and the City's need for UP to supply documents and other information concerning the site. UP also stated that their terms were nonnegotiable. Staff presented this information to the Board on June 18, 2008, and requested further direction (Report No. 08-189). The Board President instructed staff "to seek an agreement that will not present any current or future liabilities that will cause the Department to exceed the approximate 5.4 million dollars budgeted for this project." The President added that "Board Report 08-164, which directed staff to proceed with the acquisition of property for the expansion of the East Wilmington Greenbelt Community Center, is continued and is on file, but subject to the changes and instructions on negotiations as communicated by the Board."

On June 25, 2008, the City again submitted revisions to the Donation Agreements. UP rejected the revisions the same day, again stating that their terms were nonnegotiable. On July 3, 2008, UP repeated their rejection of the City's revised terms and restated their unwillingness to negotiate. On July 9, 2008, this status was presented to the Board in an informational report. On July 23, 2008, the Board met in closed session with their negotiating team under authority of Government Code Section 54956.8. In addition to Department staff, representatives were present from the Real Property and Environment Division of the City Attorney's Office, the Asset Management Division of General Services and Council District Fifteen. There was no action taken. The report now under consideration resulted from the Council Office's request that the Board take another, final action.

For reference, staff has outlined the perceived advantages and disadvantages of acquiring the property given the current terms of the transaction.

## REPORT OF GENERAL MANAGER

PG. 3

NO. 08-229

### PRO's

#### Increased Outdoor Space for the Wilmington Community

The acquisition of 2.43 acres would allow the development of two sports fields and a children's play area, among other amenities. This active recreational use would supplement the indoor activity being programmed at the new Community Center across the street. That site is too small for outdoor recreation. Like many other areas within the City, the Wilmington community is underserved with respect to recreation and open space.

#### Donation of Property

UP will donate the two parcels for \$100.

#### Availability of Grant and Other Funding

Nearly \$5.4 million is available for the acquisition, soil remediation and site development. (An additional sum of \$200,000 in a Brownfield Grant from the federal Environmental Protection Agency (EPA) is no longer available for this project since escrow did not close by June 30, 2008.)

### CON's

#### Environmental

Besides being a railroad right-of-way, there had previously been on the UP site an electrical substation, two oil wells and three above-ground, petroleum storage tanks. UP recently acknowledged these historical uses in the Donation Agreements. City geotechnical staff estimates that soil remediation will cost \$2.5 million. This sum does not include funding for groundwater testing to expand upon the two samplings included in the second Phase II assessment. The samplings disclosed the presence of volatile organic compounds, including the carcinogen benzene. The cost of comprehensive groundwater testing and remediation is estimated to range from \$730,000 to \$1,230,000 based on geotechnical staff's experience with comparable sites. Since the BOE project manager thinks site development will cost \$2.9 million, the added groundwater activity could create a potential shortfall of \$1 million. UP is unwilling to contribute to this cost or to accept any liability for the contamination. The shortfall may increase depending on the actual conditions encountered after the groundwater work begins. For example, there may be contaminated seepage from an adjacent property.

## REPORT OF GENERAL MANAGER

PG. 4

NO. 08-229

In granting the City the two Right-of-Entry Permits needed for the initial and expanded Phase II assessments, UP stated that their permission was required before the City disclosed the results to a third party. In February 2008, they denied the City's request to consult on a remediation action plan with the California Department of Toxic Substances Control (DTSC). UP stated that their internal review of the environmental reports did not indicate a need for outside consultation. UP's refusal has hindered City staff in accurately estimating the scope and costs of the remedial work needed to satisfy the DTSC and EPA. The City has also been hindered from assessing, before accepting title to the site, its liability exposure to these agencies and other parties.

### Liability/Indemnification and Documentation

UP has rejected the City's proposed revisions to the Donation Agreements three times. In doing so, UP insists on liability, indemnification and other terms that were unacceptable to the City when they were first proposed in July 2005. UP's terms require the City to assume all responsibility for remediation. Moreover, the City is to give UP a full and complete release and to accept all liability stemming from the site's past and current use or from any condition discovered in the future. The City is to indemnify UP from all risks or costs related to the property and to defend UP against any legal action resulting from the site's contamination, regardless of the source. The firm is unwilling to provide the documentation and information, requested to be sent before or as part of any escrow, that would aid the City in evaluating the type and extent of any potential liability. In effect, UP has "stonewalled" the City.

### Pipeline Segment and Agreements with Third Parties

From the start of negotiations, UP has required the City to grant them an easement 25 feet wide over underground fuel pipes that are connected to an above-ground valve manifold and pump. The easement would cover ten percent of the site, extending along the northern edge. UP has a contractual relationship with Philips Petroleum and Kinder Morgan concerning their use of this equipment. UP is unwilling to provide copies of the agreements with the two firms yet wants the City to assume future liability for this usage. UP is also involved in a longstanding lawsuit with one of the firms over their payments for the use of petroleum equipment on UP property.

## OTHER ISSUES

### Funding and Grant Requirements/Deadline

Nearly \$5.4 million has been identified for the project. This sum seems adequate for soil remediation and site development. No funding source has been identified for the \$1 million that may be needed with respect to groundwater contamination. The \$5.4 million comes from various sources, discussed next, and includes the Proposition 40 and Proposition K programs.

## REPORT OF GENERAL MANAGER

PG. 5

NO. 08-229

There are complications with the largest single source of funding, which is the \$3 million from the Proposition 40 "Urban Parks" Program. This sum is allocated for both acquisition and development. The deadline for having the development completed with the site open to the public and all documentation submitted to the State is March 31, 2010. The deadline cannot be extended.

If the City acquires the site, there will need to be significant remediation before it is ready for development. The preparatory work may delay construction so that the site is only partly developed by the grant deadline. The amenities required by the grant include two sports fields with lighting and bleachers, a play and a picnic area and fencing. The BOE project manager estimates that it will take at least 21 months to design the project, remediate the soil and construct the amenities. This estimate is based on a compressed and overlapping schedule for the various tasks. Geotechnical staff believes that further testing and analysis related to groundwater contamination can be accommodated within the BOE time line to completion; however, the placement of equipment needed for groundwater monitoring might interfere with site development. Nor does the time line include tasks needed to report grant activity to the State by March 31, 2010.

As a result, staff concludes that there is no longer sufficient time to meet the State's deadline for use of these Proposition 40 funds. For example, acquiring the site by October 2008 would leave only 18 months for remediation, development and reporting to the State. If the required amenities are not fully developed by the deadline, the City must reimburse the State for any of the grant funds spent on the project. To date, \$9,500 has been spent, which is the sum owed the State if the City cancels the acquisition at this time.

There is the potential to "save" the remainder of the approved funding, a total of \$2,372,168, even if the City does not acquire the property. The \$1 million in Proposition K funds can be reprogrammed to a different project although it would not necessarily be in the same Council District. The situation is similar if Public Works reappropriates the \$1 million from the Citywide Capital Improvement Expenditure Program. The \$300,000 in Proposition 40 discretionary funds can be used by the Council Office for another project. The \$72,168 from a federal grant administered by the Department can be used for another project within the Wilmington area. (The funding source is the Housing and Urban Development/Economic Development Initiative.)

### Fiduciary Responsibility to the Greater Los Angeles Community

The Board is the primary entity empowered by the City Charter to authorize the acquisition and dedication of park land. The Board acts on behalf of the entire City. Staff feels obligated to inform the Board when a project's cumulative problems seem to outweigh the benefits. With respect to this site, there is the lack of funding for assessing and mitigating any groundwater contamination. Of greater concern over the long term are the unknown costs associated with assuming unconditional liability and indemnifying UP. There are also unknown costs associated with the pipeline easement and its use by UP and other third parties. Taken together, these future costs could become

## REPORT OF GENERAL MANAGER

PG. 6

NO. 08-229

burdensome to the City.

Even if the City declines, at present, to acquire the property because of UP's "all or nothing" stance, UP's position may change as they seek to identify another buyer. At some future date UP may be more willing to negotiate. If so, the City may be able to acquire the site on less onerous terms with respect to liability and indemnification. UP may also be willing to provide the documentation that will allow the City to make a more informed business decision.

### City's Commitment to the Harbor Community

In addition to the Council Office, staff of six other City entities have worked on this project. Recreation and Parks has been involved for nearly five years. If the project lapses, staff will research a replacement site so that patrons of the new Community Center can enjoy outdoor, active recreation. The Department and BOE have also been involved with other projects intended to benefit the residents of Wilmington and San Pedro. Nine current and recently completed projects can be briefly described as follows:

1. Bandini Canyon – construction of a nature trail with interpretive signage and a tot lot.
2. Banning Park, including the Recreation Center and Residence Museum – improvements to walkways, gardens and sports fields.
3. Bogdanovich Recreation Center – replacement of walkways and various improvements to the building.
4. Drum Barracks Civil War Museum – continuation of interior restoration with improved exhibits.
5. Gaffey Street "Field of Dreams" – construction of a field house with restrooms.
6. Ken Malloy Harbor Regional Park – construction of a Universal Access Playground and replacement of restrooms.
7. Lake Machado – improvements to habitat and watershed management.
8. Peck Park – improvements to existing trails and construction of others to facilitate public use.
9. San Pedro Welcome Park – development of newly acquired land with signage and streetscape improvements to mark the community's northern boundary.

The Assistant General Manager of Operations East and the Superintendent of Pacific Region concur with staff's recommendations.

REPORT OF GENERAL MANAGER

PG. 7

NO. 08-229

FISCAL IMPACT STATEMENT:

The potential cost of groundwater remediation may exceed the recent estimate of \$1million. It is unknown what the future impact to the City's and the Department's General Fund would be of assuming liability for UP and for indemnifying them in perpetuity with respect to the historic and current condition of the site. There is also potential liability for the City resulting from the pipeline easement and the continued association with UP and through them, with other firms. If the City cancels the acquisition at this time, \$9,500 will be owed the State because of prior expenditures from the Proposition 40 "Urban Parks" grant.

This report was prepared by Joan Reitzel, Senior Management Analyst in Real Estate and Asset Management, Planning and Development Division.

CITY OF LOS ANGELES  
CALIFORNIA

KAREN E. KALFAYAN  
City Clerk



ANTONIO R. VILLARAIGOSA  
MAYOR

Office of the  
CITY CLERK

Council and Public Services  
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CLAUDIA M. DUNN  
Chief, Council and Public Services Division

[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

When making inquiries  
relative to this matter,  
please refer to the Council  
File No.

08-2276

CD 15

September 30, 2008

Councilmember Hahn  
Councilmember Cardenas  
City Attorney  
City Administrative Officer  
Chief Legislative Analyst  
Department of Recreation and Parks  
Board of Recreation and Park Commissioners

RE: VETO THE BOARD OF RECREATION AND PARK COMMISSIONERS' ACTION ON AUGUST 20, 2008 TO APPROVE REPORT NO. 08-229 RECOMMENDING THAT THE BOARD RESCIND RESOLUTION NO. 10237 AUTHORIZING STAFF TO COMPLETE ACQUISITION OF PROPERTY BEING DONATED BY UNION PACIFIC RAILROAD TO BE USED FOR INCREASED OUTDOOR SPACE FOR THE WILMINGTON COMMUNITY

At the meeting of the Council held September 23, 2008, the following action was taken:

|  |                                   |
|--|-----------------------------------|
| Attached report adopted .....                                      | <u>          X          </u>      |
| Attached motion (-) adopted .....                                  | <u>                          </u> |
| Attached resolution adopted .....                                  | <u>                          </u> |
| FORTHWITH .....  | <u>          X          </u>      |
| Mayor concurred .....  | <u>                          </u> |
| To the Mayor FORTHWITH .....                                       | <u>                          </u> |
| Motion adopted to approve communication recommendation(s) .....    | <u>                          </u> |
| Motion adopted to approve committee report recommendation(s) ..... | <u>                          </u> |

*Karen E. Kalfayan*  
City Clerk  
os

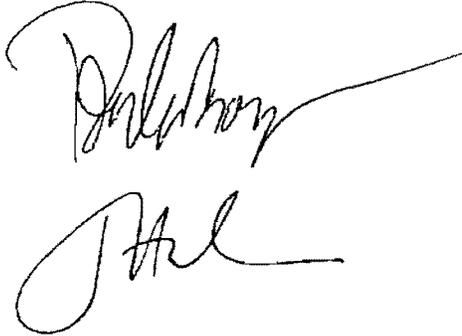


donated by Union Pacific Railroad. This matter is now submitted to Council for its consideration.

Respectfully submitted,

ARTS, PARKS, HEALTH AND AGING COMMITTEE

| <u>MEMBER</u> | <u>VOTE</u> |
|---------------|-------------|
| LABONGE:      | YES         |
| PERRY:        | ABSENT      |
| HAHN:         | YES         |



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*RAT*  
**ADOPTED**

SEP 23 2008

LOS ANGELES CITY COUNCIL

**FORTHWITH**

Not Official Until Council Acts

**APPROVED**

REPORT OF GENERAL MANAGER

OCT 3 2008

NO. 08-276

DATE October 3, 2008

BOARD OF RECREATION  
and PARK COMMISSIONERS

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EAST WILMINGTON GREENBELT COMMUNITY CENTER - ACQUISITION OF PROPERTY FOR EXPANSION AND DESIGN BUILD PROCESS FOR DEVELOPMENT

|                  |                 |
|------------------|-----------------|
| R. Adams _____   | J. Kolb _____   |
| H. Fujita _____  | F. Mok _____    |
| S. Huntley _____ | K. Regan _____  |
| V. Israel _____  | *M. Shull _____ |

*Three fields*

*[Signature]*  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Authorize the execution of two Donation Agreements, Nos. 1794-76 and 2504-65, substantially in the form on file in the Board Office; and,
2. Authorize the General Manager to implement a Design Build Process, in consultation with the City Attorney, for the development of the parcels upon execution of the Donation Agreements.

SUMMARY:

Since mid-2005, the City has been negotiating with Union Pacific (UP) for the acquisition of two adjacent, vacant parcels across Sanford Avenue from the new East Wilmington Greenbelt Community Center. The parcels total 2.43 acres and have the address of 845 North Sanford Avenue. The Assessor Parcel Nos. are 7425-011-803 and -804. The Community Center's site is too small for sports fields or an outdoor play area, a situation that could be remedied by acquiring the UP property.

## REPORT OF GENERAL MANAGER

PG 2

NO. 08-276

On August 9, 2006, the Board gave preliminary approval to the acquisition (Report No. 06-223). Subsequently, and perhaps in recognition of the need for environmental remediation, UP agreed to donate the property for \$100. There were to be two Donation Agreements. Agreement No. 2504-65 involves a segment of 25-feet wide that extends along the northern border of the property; the segment has underground petroleum pipelines and above-ground equipment. UP will retain an easement over this segment and continue receiving revenue from its use by other firms. The second Agreement, No. 1794-76, concerns the rest of the adjacent UP property.

In mid-2008 after a conference call with UP, it seemed that there was enough agreement so that the acquisition could proceed. Staff sought final approval from the Board, which was obtained on June 4, 2008, by the adoption of Resolution No. 10237 (Board Report No. 08-164). Subsequently, the City's negotiating team found that an impasse developed regarding liability, indemnification and access to information on the past use and present condition of the site. This status was presented to the Board on June 18, 2008, in Board Report No. 08-189 and in an Informational Board Report on July 9, 2008. On July 23, 2008, the Board considered the acquisition in closed session in accordance with Government Code Section 54956.8. On August 20, 2008, the Board rescinded its approval, given UP's unwillingness to modify the terms of the Donation Agreements (Board Report No. 08-229).

Throughout the negotiations, the Councilmember for the Fifteenth District has strongly supported the acquisition. On September 2, 2008, the Councilmember introduced a motion pursuant to Charter Section 245 for Council to assert jurisdiction over the Board's action rescinding its prior approval to acquire the property and upon assuming jurisdiction, veto the Board's action. The motion to assert jurisdiction was adopted on September 9, 2008, and the matter was referred to the Arts, Parks, Health and Aging Committee of the Council. Two days later the City's negotiating team had a conference call with UP, during which certain additional terms were agreed upon. Based on the terms agreed upon during the conference call, the City resubmitted revisions to the Donation Agreements. UP has not yet responded. Council vetoed the Board's action rescinding approval to acquire the property on September 23, 2008 (Council File No. 08-2276).

Due to the action taken by Council, the original approval of the resolution to acquire the parcels remains. Since the terms of the Donation Agreements have changed, as is more specifically described below in this report, staff now recommends that the Board approve the Donation Agreements substantially in the form on file in the Board Office. Doing so will result in acquisition of the property, subject to the terms contained in the Agreements, upon close of escrow.

One of the City's proposed revisions involves UP's disclosing information about the site. The disclosure would aid the City in determining whether to accept unconditional liability and to indemnify UP from any present or future legal action. The revisions also include an extended escrow, up to nine months, in order to allow the City to complete certain environmental tasks before accepting title to the property. For example, during escrow the City seeks to work with regulatory

## REPORT OF GENERAL MANAGER

PG 3

NO. 08-276

agencies on a soil remediation plan and a groundwater testing/remediation plan. The City also seeks the ability, upon obtaining written permission from UP and its lessee, to fence and thereby restrict public access to the above-ground petroleum equipment or to the pipeline segment as a whole. On September 30, 2008, Department staff met with project staff of the Bureau of Engineering (BOE) and the Environmental Affairs Department (EAD) in order to reconfigure the scope and time line for site development. The intent is to meet a Proposition 40 "Urban Parks" deadline of March 31, 2010. By then, the amenities proposed in the grant application must be completed, with the site open to the public and all documentation filed with the State. Unless the City obtains legislative relief from this deadline, it cannot be extended.

The in-house meeting produced several action items. Since the proposed modular restrooms are not required under the Proposition 40 grant, their construction will be postponed. The security lighting and parking lot can be reconfigured for simpler installation. The drafting of remediation documents will begin soon after escrow opens. Staff also plans to present a Mitigated Negative Declaration to the Board in January 2009.

The most significant project change is to consult with the City Attorney to initiate the appropriate process for a design/build contract rather than to have the project's design completed by BOE with a bid/award process for construction. Staff plans to award a contract to a design/build team in January 2009. The tactic is expected to save over three months in development time and is not expected to increase total costs. With these revisions, project staff expects to meet the current Proposition 40 deadline.

BOE staff believes the development project, including soil remediation, to be fully funded. EAD plans to apply for a \$200,000 grant from the federal Environmental Protection Agency to offset costs of groundwater remediation. Soil remediation must precede site development, but BOE geotechnical staff believes that groundwater testing and remediation will not interfere with construction at the site. Groundwater remediation, if any, will be accomplished over a longer period in order to enable the City to identify any subsequent funding that may be needed. Omitting the modular restrooms may result in savings to apply to the remediation.

In addition to the Office of Council District Fifteen, the Assistant General Manager of Operations West and the Superintendent of Pacific Region concur with staff's recommendations.

### FISCAL IMPACT STATEMENT:

The potential risks of the City's assuming total liability for the site and indemnifying UP were included in Board reports cited at the beginning of the Summary. Staff has restructured the site development and believes that the City can meet the current Proposition 40 deadline. If not the City will be required to repay whatever grant funds were spent up to the total award of \$3,300,000.

REPORT OF GENERAL MANAGER

PG 4

NO. 08-276

This report was prepared by Joan Reitzel, Senior Management Analyst in Real Estate and Asset Management, Planning and Development Division.



REPORT OF GENERAL MANAGER

PG. 2 NO. 096272

4. Authorize staff to work with the "L. A. for Kids" Steering Committee to secure an extension of the grant deadlines from the Proposition 40 State administrators and also to consider whether continued project delays warrant a request to rescind the Proposition K grant award.

SUMMARY:

Background:

Four years ago, the City began negotiating with UP to acquire property having the address of 845 North Sanford Avenue, totaling 2.43 acres. The APNs are 7425-011-803 and 7425-011-804. The new East Wilmington Greenbelt Community Center, across Sanford from the UP site, is too small for sports fields or an outdoor play area. The City can provide them by acquiring and developing the UP site.

As specified in the Proposition 40 Urban Park grant, the proposed recreational development includes both a ball field and a soccer field. Also planned are sports-field lighting, bleachers, picnic tables, landscaping and a small parking lot within a secure, fenced setting. While not specified in the grant, the Department may in the future wish to add a small, modular restroom so that the public does not have to cross Sanford and use the restrooms in the Community Center.

On August 9, 2006, the Board gave preliminary approval to enter into negotiations with UP (Report No. 06-223). On June 4, 2008, the Board President and Secretary were authorized to execute a Purchase and Sale Agreement (Report No. 08-164, Resolution No. 10237). The purchase price had been \$1.2 million but in partial recognition of the need for environmental cleanup, UP agreed to sell the two parcels to the City for \$100.

The City project team had recommended the Board's approval based on recent communication with UP; however, the team soon found that an impasse developed regarding liability, indemnification, further environmental testing and information on the past use and present condition of the site. Staff presented this impasse to the Board on June 18, 2008 (Report No. 08-189) and on July 9, 2008, in a follow-up, Informational Report. On July 23, 2008, the Board considered the acquisition in closed session in accordance with Government Code Section 54956.8. On August 20, 2008, the Board rescinded its approval, given UP's unwillingness to modify any terms of the transaction (Report No. 08-229).

The Councilmember for the Fifteenth District strongly supports the acquisition. On September 2, 2008, pursuant to Charter Section 245, the Councilmember introduced a motion for Council to assert jurisdiction over the Board's rescission and then to veto it. The motion to assert jurisdiction was adopted on September 9, 2008, and the matter was referred to the Arts, Parks, Health and Aging Committee. Council vetoed the Board's rescission on September 23, 2008 (Council File No. 08-2276).

REPORT OF GENERAL MANAGER

PG. 3                      NO. 09-272

This action reinstated the Board's adoption of the Resolution approving the acquisition. Attempts to negotiate with UP continued. The City project team simplified the design for site development so that even with the acquisition delays, the construction schedule met grant deadlines. The team also planned for a "design/build" contract in place of the customary "bid/award" project delivery method. On October 3, 2008, the Board approved staff's recommendation that the acquisition proceed with the new strategy (Report No. 08-276).

Transaction Status and City's Election to Terminate:

Transaction terms are in two executed Donation Agreements, which superseded the Purchase and Sale Agreement. Donation Agreement No. 2504-65 (City Contract No. 115263) involves a segment 25-feet wide along the northern border of the property; the segment has two underground petroleum pipelines and above-ground equipment that UP leases to another firm. UP will retain an easement over this segment and continue receiving revenue from the third-party use. The other Donation Agreement, No. 1794-76 (City Contract No. 115262), concerns the rest of the adjacent UP site. Escrow opened on March 31, 2009.

Escrow is supposed to close within 240 days or by November 25, 2009; however, Article 5, Sections 4-6 of both Agreements permits the City to terminate them without penalty within 210 days of opening escrow. This is the "feasibility review period". The City may determine that it is not feasible to comply with terms in the Agreements involving environmental remediation and funding or other development issues. If it exercises the option to terminate, the City must deliver written notice to UP by October 26, 2009 (Section 12.9 of both Agreements).

If the City does not exercise the option by the 210-day deadline, the City is obligated to fulfill all the terms of the Agreements by the closing date of escrow or seek UP's permission to extend the date. Given the difficulty the project team has encountered in prior negotiations, it seems best to protect the City's interests by giving notice to UP disapproving of matters set forth in the City's feasibility review. The notice would state to UP and the Escrow Holder that the City has elected to terminate the Agreements. Staff also seeks Board authorization to negotiate successor Agreements with new, extended deadlines. In the meantime, there are the following issues to resolve.

Issue: Project Funding Shortfall and Grant Requirements/Deadlines

The available project funding is as follows: \$3 million in the Proposition 40 Urban Park program, \$150,000 each in discretionary Proposition 40 Per Capita and Roberti-Z' Berg-Harris (RZH) grants, \$1 million from the fifth competitive cycle under Proposition K and \$1,067,530 from the Capital Improvement Expenditure Program (Council File No. 07-2877-S3). These sources total \$5,367,530. The Project Manager from the Bureau of Engineering estimates that remediation and development costs will be nearly \$7,310,000. The sum includes \$2.5 million for soil and \$1 million for groundwater cleanup. The project shortfall is at least \$1.9 million and will increase if costs for environmental remediation exceed the estimates.

REPORT OF GENERAL MANAGER

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PG. 4

NO. 09-272

Even with adequate funding, there are timing issues because of continuing delays with site acquisition. Based on the most recent completion schedule, the project will not meet the current Proposition 40 Urban Park grant deadline of June 30, 2010. The deadline requires that the recreation project be completed, open to the public and all accounting documentation submitted to the State by March 31, 2010. Even without further delays, the earliest date for completing construction will be mid-August 2012. This time line requires a 2½ year extension of the Urban Park deadline. An extension of 1½ years is needed for the Proposition 40 Per Capita and RZH grants.

Proposition 40 State administrators advised the Department that they cannot approve a multi-year extension but must act on a year-to-year basis. An initial extension would have to be requested and approved in the fiscal year that the grant is scheduled to liquidate, which for the Urban Park grant, began July 2009. A similar request will be needed during the fiscal year beginning July 2010 for the Per Capita and RZH grants. Discussions with the State on grant policy will continue.

If sufficient grant extensions are approved but because of lack of funds, the recreational project is not completed by the new deadline, all expended Urban Park funds will have to be returned to the State. Therefore, staff requests that the Board consider an acquisition-only project, with the Department temporarily "land banking" and securing the site. Doing so means that the Department will forfeit the \$3 million in Urban Park funds. By contrast, the \$300,000 in Per Capita and RZH funds will not be forfeited. Either the project scope can be modified or the funds reallocated to another project.

As for the Proposition K award of \$1 million, the funds cannot be used for acquisition but only for site development. With the funding shortfall and other uncertainties, it is possible that the grant should be rescinded some time before 2011 with any funds already spent to be reimbursed. The City could reapply for funding in a future competitive cycle.

Acquiring the UP site, phasing in environmental remediation and delaying recreational development will resolve issues related to the current funding shortfall and grant deadlines. The Community Center can be expanded and developed onto the newly acquired property as funding becomes available. However, UP may be unwilling to accommodate a plan that would change terms in the Donation Agreements on environmental remediation. These current Donation Agreements specify that before closing escrow, the City must have approval from UP and public regulators for all required environmental remediation and must demonstrate the ability to fund this work. In the past, UP has insisted on these and other terms intended to guarantee, after escrow closes, that they do not have any future liability for the site.

Issue: Environmental Remediation

The UP site is a brownfield. The former railroad right-of-way once had an electrical substation, two oil wells and three above-ground, petroleum storage tanks. Two functioning, underground pipelines remain along the northern border, which is the reason UP wants an easement (Donation Agreement

## REPORT OF GENERAL MANAGER

PG. 5 NO. 09-272

2504-65). Previous Board Reports noted that environmental studies of the rest of the site have disclosed significant soil contamination, including widespread, high concentrations of arsenic and moderate amounts of lead, heavy hydrocarbons and PCBs. Remediation of the metals will require some disposal at a hazardous landfill, but the site's size and the estimated remediation costs have caused City geotechnical staff to propose an in-place plan called "fixation and capping". The plan involves excavating the upper six feet of soil, removing from the site the most contaminated portion of this soil and treating the rest with a cement-like substance that will harden and permanently bind the metals in place. Then the site is capped with a two-foot replacement layer of clean soil.

City geotechnical and environmental staff have received preliminary, informal approval of this plan from the State Department of Toxic Substances Control (DTSC). The plan is expected to cost \$2.5 million and does not include groundwater cleanup. Other work such as drainage improvements, final grading and installation of a retaining wall will become part of site development and be included in those costs.

A groundwater assessment was completed after October 2008, when staff last reported to the Board on the project. The groundwater is contaminated with gasoline-related hydrocarbons such as benzene. Off-site sources are possible. One source is suggested by the fact that contaminants were found in the southwestern part of the UP site near a privately owned, vehicle storage/scrap yard. The highest concentrations were found near the functioning, underground pipelines at the northern end of the site. If the City pursues the acquisition, UP should be asked to require their lessee, before the close of escrow, to conduct pressure and other tests to assess the physical integrity of the pipelines. Given staff's past experience, UP is unlikely to grant the request.

DTSC may require more groundwater sampling plus a feasibility and then a pilot study of proposed remedial methods. DTSC and City staffs are drafting an action plan that includes five years of groundwater monitoring, which seems an adequate period given the City's current data. City staff estimates that total costs of this groundwater plan may be \$1 million.

Soil remediation must precede site development. Groundwater remediation and monitoring can begin before site development and co-exist with it and with public use of the site. Staff can use recessed wells and piping and locate a small, fenced treatment unit to one side. The current estimate of \$3.5 million for implementing soil and groundwater plans could increase 20-25% if the DTSC requires additional study or tasks. The agency may do so since the storage/scrap yard has encroached onto the UP site, preventing its complete environmental characterization. The added costs could range from \$700,000 to \$900,000.

Because of the overall funding shortfall and the fact the DTSC has not yet approved a formal, complete remediation plan, staff recommend first seeking approval for a modified plan. It would include securing the site and initially not providing for public use. The lesser remediation can be funded by the nearly \$900,000 remaining from the allocation from the Capital Improvement Expenditure Program.

REPORT OF GENERAL MANAGER

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Status: Compliance with the California Environmental Quality Act (CEQA)

Department staff recently reviewed an expanded Initial Study of the proposed project. The Study includes both environmental remediation, including results of the recent studies, and recreational site development. Staff determined that there may be some significant impacts that could be reduced or eliminated through mitigation. Therefore, staff revised initial CEQA findings and prepared a Mitigated Negative Declaration (MND). The draft MND is ready for release to public agencies and others for the required 30-day period for public review and comment. Depending on the number and nature of the comments received, staff will need an additional four to six weeks to prepare responses and the final MND. It will support implementing the complete project if this is the City's course of action.

The MND is based on current negotiations with DTSC. Once they approve a Remedial Action Plan and a Voluntary Cleanup Agreement, staff may need to revise the MND. If any revisions resulting from newly required tasks add to the environmental impacts, the revised MND may need to be recirculated for another 30-day period. This review has to be completed before DTSC gives approval for the City to proceed with the Remedial Action Plan. At that time, staff will request that the Board adopt the final MND.

Issue: The Impact of Encroachments on Remediation and Site Development

The privately owned parcels extending from the southern border of the UP site to Anaheim Street are used as a vehicle repair business and a storage/scrap yard. Over the years, the firm has expanded its storage operation onto the UP site, completely occupying one lot of parcel 7425-011-804; vehicles are scattered on two other lots of the parcel. The main encroachments occupy approximately 6.6% of the parcel, and UP is aware of them. The City tried to include in the Donation Agreement for parcel APN 7425-011-804, a condition whereby UP would have the encroachments removed before the close of escrow. UP refused.

It is unknown if or how easily after the close of escrow the City could legally have the firm relocate the encroaching vehicles and scrap parts onto its own property. Resolving the situation could take months. There is also the potential contamination of this area, which was excluded from previous assessments because of lack of access. That situation could increase the current estimate of \$3.5 million for soil and groundwater remediation.

As for interfering with the conceptual plan for developing this area, staff conclude that the encroachments will affect, but not prevent, the construction of a Little League ball field. Until the area is cleared and if needed, cleaned up, the outfield must be shortened. The encroachments will also interfere with the installation of some sports-field lighting. These two features are required under the Proposition 40 Urban Park grant.

REPORT OF GENERAL MANAGER

PG. 7                      NO. 09-272

The Assistant General Manager of Operations East and the Superintendent of Pacific Region concur with staff's recommendations.

FISCAL IMPACT STATEMENT:

The budget shortfall for the project, including current remediation costs and site development, is estimated at \$1,950,000. If DTSC requires work in addition to that already proposed in initial briefings, the shortfall could increase to \$2.8 million. The increased estimate includes some costs for cleaning up the area under encroachment but does not include the removal of the vehicles and scrap since staff has no basis for assessing these costs.

There is also uncertainty about obtaining a sufficient extension of the current deadline for the Proposition 40 Urban Park grant. Staff recommends that, at present, the City not use these funds because of being unable to meet the requirement to have a completed project, ready for public recreational use, by the current deadline. If this situation occurs, the City will have to repay whatever grant funds were spent. There is a similar project-completion requirement for the \$1 million in the Proposition K grant although program guidelines make the deadline more flexible.

This report was prepared by Joan Reitzel, Senior Management Analyst in Real Estate and Asset Management, Planning and Construction Division, with the assistance of project personnel from the Department's Grants Administration and from the Bureau of Engineering.

09-2595

MOTION

OCT 23 2009  
SPECIAL 2

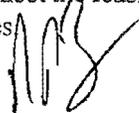
Four years ago, the City began negotiating with the Union Pacific Railroad Company (UP) to acquire property at 845 North Sanford Avenue, totaling 2.43 acres to develop an outdoor space for the East Wilmington Greenbelt Community Center. The Community Center is located across the street from the UP site, but is too small for sports fields or an outdoor play area. The proposed recreational development includes both a ball field and a soccer field, including sports-field lighting, bleachers, picnic tables, landscaping and a small parking lot within a secure, fenced setting. The Department of Recreation and Parks (DRP) may also consider, for a future project, adding a modular restroom so that the public does not have to cross the street to use the restrooms in the Community Center.

On August 9, 2006, the Board of Recreation and Parks Commissioners (Board) gave preliminary approval to enter into negotiations with UP and on June 4, 2008, they authorized the execution of a Purchase and Sale Agreement. UP agreed to sell the two parcels to the City for \$100 due to the need for extensive environmental cleanup at the site. However, an impasse developed regarding liability, indemnification, further environmental testing and information on the present condition of the site. Due to the difficulty of the negotiations and UP's unwillingness to modify any terms of the transaction, the Board rescinded its approval in August 2008. However, in September 2008 the Council introduced Motion (Hahn - Cardenas) to assert jurisdiction over the Board action pursuant to Charter Section 245 and the City Council vetoed the Board's rescission (C.F. No. 08-2276). This action reinstated the Board's adoption of the Resolution approving the acquisition.

DRP continued negotiations and executed two Donation Agreements that superseded the Purchase and Sale Agreement. One Donation Agreement is for a portion of the property that UP will retain an easement over in order to continue leasing it to another firm. The second Donation Agreement is for the rest of the UP site. Escrow opened on March 31, 2009 and is expected to close on November 25, 2009.

The Donation Agreements allow the City to terminate them without penalty during the feasibility review period. During the feasibility review period, the City can determine whether or not it is feasible to comply with the terms in the Agreements relative to environmental remediation and funding or other development issues. If the City does not provide UP written notice by the end of the feasibility review period, which is October 26, 2009, the City will be obligated to fulfill all terms of the Agreements. DRP and the Bureau of Engineering have determined that the City cannot meet the obligations in the Agreements because there is insufficient funds to complete the environmental remediation and development of the site. The cost to cleanup and develop the site is approximately \$7.3 million and currently there is only \$5.4 million available.

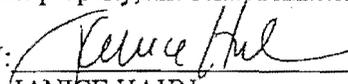
At the October 21, 2009 Board meeting, the Board approved recommendations to: 1) terminate the existing Donation Agreements and related escrow for the acquisition of the property located on Sanford; 2) authorize staff to draft and execute successor Donation Agreements and Escrow Instructions with new extended deadlines for the property; 3) authorize staff to devise a two-tier remediation plan; and 4) authorize staff to work with the State to obtain an extension on the State Grant funds currently allocated to the project. This will protect the City's best interests, provide the City additional time to identify funds for the shortfall, devise a development plan that fits within the available budget, and meet all funding deadlines and obligations of the Agreements. It is necessary to expedite the approval to terminate the existing Donation Agreements and related escrow in order to meet the feasibility review period deadline of October 26, 2009 and not incur any additional liabilities



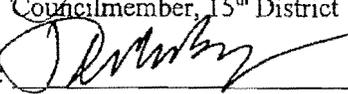
I THEREFORE MOVE that the Council determine, as provided in Section 54954.2(b)(2) of the Government Code, and pursuant to **Rule 23** of the Rules of the City Council, that there is a need to take immediate action on this matter AND that the need for action came to the attention of the City Council subsequent to the posting of the agenda for today' s Council meeting.

IFURTHER MOVE that pursuant to Charter Section 245(b), the Council hereby RESOLVE to waive its review of the actions taken by the Board of Recreation and Parks Commissioners at the Board meeting on October 21, 2009, relative to the termination of two Donation Agreements and escrow with the Union Pacific Railroad Company for the acquisition of the property near the East Wilmington Greenbelt Recreation Center, authorization to draft and execute successor Donation Agreements and Escrow Instructions with extended deadlines for this property, and related matters.

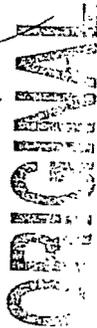
PRESENTED BY:

  
JANICE HAHN  
Councilmember, 15<sup>th</sup> District

SECONDED BY:



October 23, 2009



MOTION

50 2 5 200

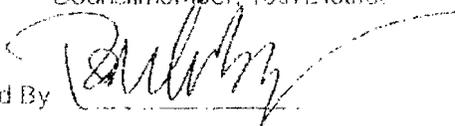
Since 2006, the City has been working to acquire a property at 815 North Sanford Avenue in Wilmington from Union Pacific Railroad (UP) for the purpose of having the Department of Recreation and Parks (RAP) develop a sports field adjacent to the East Wilmington Greenbelt Community Center. This project has gone through a lot of obstacles, including obtaining information about environmental remediation, negotiation of the donation of the land, obtaining funding to pay for clean-up and construction, and fulfilling all the obligations set forth by UP in order to complete the donation agreement. Unfortunately, the City has been unable to address the one remaining legal issue that involves indemnity of the City by UP in order to take on the acquisition of this property. Given that the source of money obtained for this project primarily involves Prop. 40 and Prop. K funding, it is imperative that the City act quickly to provide direction to RAP to move forward on this project in order to avoid the risk of losing this funding and jeopardizing the project.

This area of Wilmington is in desperate need of additional park space, and would greatly benefit from the proposed sports field. In order to address legal concerns pertaining to the City being subject to unforeseen costs involving additional clean up or contamination that may occur after the acquisition of the property, the City will procure a \$10 million Environmental Pollution Insurance policy covering all pollution related claims filed against the property for the next ten years. Coverage excludes known pollutants during the remediation phase.

In light of this new information, it would be appropriate for the Board of Recreation and Parks Commissioners to reconsider this project and request staff to re-enter negotiations with UP to acquire this parcel, which UP has offered to donate for no cost.

I THEREFORE MOVE that the Council request the Board of Recreation and Parks Commissioners to reconsider the East Wilmington Greenbelt project at an upcoming Board meeting and authorize staff to re-enter into negotiations to acquire this property from Union Pacific Railroad.

Presented By   
JOE BUSCAINO  
Councilmember, 15th District

Seconded By 

REPORT OF GENERAL MANAGER

NO. 14-220

DATE August 13, 2014

C.D. 1

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: FLAT TOP PARK – PRELIMINARY AUTHORIZATION TO PROCEED WITH THE ACQUISITION OF PROPERTY FOR PARK PURPOSES

*for*

|             |            |             |       |
|-------------|------------|-------------|-------|
| R. Adams    | _____      | V. Israel   | _____ |
| *R. Barajas | <u>CSD</u> | K. Regan    | _____ |
| H. Fujita   | _____      | N. Williams | _____ |

  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Authorize the Department of Recreation and Parks (RAP) to initiate the process for the possible acquisition of real property, consisting of five (5) parcels totaling approximately 1,583,569 square feet or 36.37 acres, located in the Montecito Heights area of East Los Angeles for the preservation of open space and the development of a passive use park, as described in the Summary of this Report;
2. Authorize staff to coordinate acquisition activities with the Department of General Services (GSD), and other Departments as necessary, and to obtain the necessary environmental clearances and funding approvals to expedite the purchase of said property; and,
3. Upon the completion of the preliminary acquisition activities, direct staff to return to the Board of Recreation and Park Commissioners (Board) with escrow instructions and related documents for the Board’s final approval to acquire the property, contingent on the following conditions:
  - A. Funding will have been made available for the acquisition of the property through Proposition A – LA County funds and/or other funding source yet unidentified;
  - B. Appropriate California Environmental Quality Act (CEQA) documentation will have been completed;
  - C. All environmental assessments, Phase I, and Phase II if needed, will have been completed and satisfied prior to close of escrow;

## REPORT OF GENERAL MANAGER

PG. 2                      NO. 14-220

- D. Class "A" Appraisal will have been prepared and approved by GSD; and,
- E. The GSD will have negotiated a purchase price that is consistent with their professional opinion of market value.

### SUMMARY:

RAP, with the support from the Councilmember for the 1st District, is considering the acquisition of the five (5) parcels identified by the following Los Angeles County Assessor's Parcel Numbers (APN): 5206-017-003, 5207-027-004, 5207-028-005, 5207-028-006, and 5207-028-008 located in the Montecito Heights area of East Los Angeles (Exhibit A1-8). The parcels are immediately adjacent to RAP's Mount Olympus Park. All five (5) parcels together measure approximately 1,583,569 square feet or 36.37 acres. The property is vacant and consists of hillside land and prominent views. The property features both walking trails and high value habitat. RAP is interested in acquiring the property for the development of a passive use park and the preservation of open space in the area. GSD, Asset Management Division, will provide a Class "A" appraisal of estimate of value for the property.

As currently envisioned, North East Trees (NET), a RAP partner in other endeavors, will acquire the property using Proposition A funds available to them. NET will then transfer the property to the City of Los Angeles (City), and enter into an operations and maintenance agreement with RAP to provide maintenance and operations responsibilities. Upon completion of necessary due diligence work and the drafting of an agreement with NET, RAP staff will present the proposed acquisition and agreement to the Board for consideration and final approval.

The California Environmental Quality Act (CEQA) and the Phase I Environmental Site Assessment are currently being completed. Both the CEQA documentation and the Phase I Environmental Site Assessment will be completed and made available for review prior to making a determination on the possibility of acquiring this property.

This project has the support from Council District 1. In addition, the Assistant General Manager of Planning, Construction and Maintenance Branch has been consulted and concurs with staff's recommendations.

### FISCAL IMPACT STATEMENT:

There is no fiscal impact to RAP' General Fund with the approval of the preliminary authorization to proceed with the acquisition of the property.

This Report was prepared by Cid Macaraeg, Sr. Management Analyst II, Real Estate and Asset Management.

**Available Parcel Reports**

Address: 17 35974 BURNBROOK AVE 90271  
 PIN: 142-0225-2  
 APN: 420702004  
 APN: 420702004  
 (City of Report Required)

Parcel Physical Report (PARS)  
 Parcel Profile Report (PPR)  
 Property Address Report (PARS)  
 Historic District Report (HDS)  
 Parcel Digital Flood Zone Report  
 Parcel In Use Report  
 Parcel Description Report  
 Public Services Report  
 Parcel Signage Report  
 County Assessor Report  
 L.A. City Land Parcel Side Report  
 L.A. City Land Parcel Report  
 L.A. City Land Parcel Report

\* Unassigned Number  
 Please read our Disclaimer

**Layers**

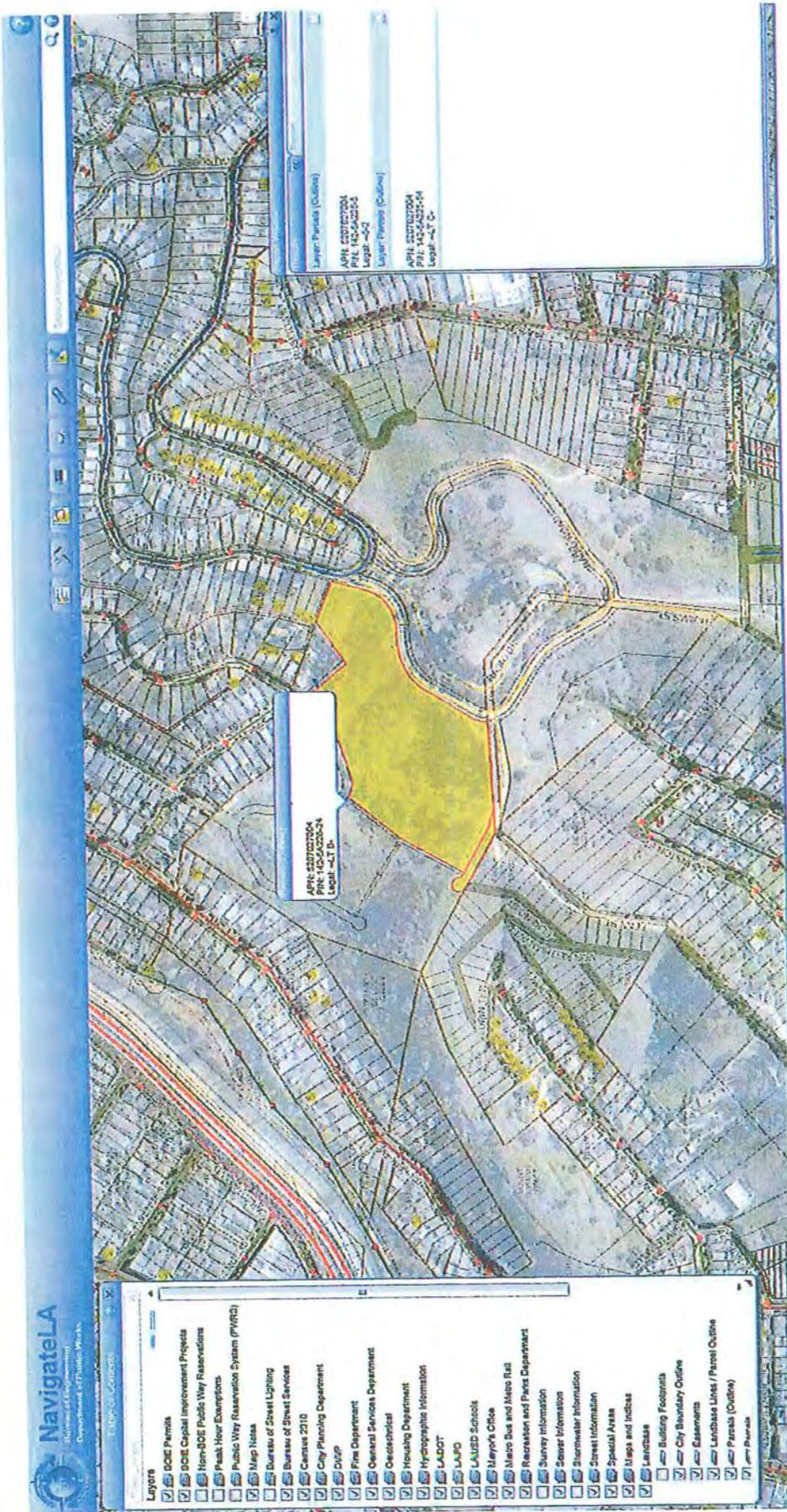
- BOE Permits
- DOE Capital Improvement Projects
- Home-BOE Public Way Reservations
- Peak Hour Descriptions
- Public Way Reservation System (PWR)
- Map Notes
- Bureau of Street Lighting
- Bureau of Street Services
- Census 2010
- City Planning Department
- DWP
- Fire Department
- General Services Department
- Chronological
- Housing Department
- Hydrographic Information
- LADOT
- LUPD
- LAUSD Schools
- Mayor's Office
- Metro Bus and Metro Rail
- Recreation and Parks Department
- Survey Information
- Sewer Information
- Stormwater Information
- Street Information
- Special Areas
- Maps and Indexes
- Lumbase
- Building Footprints
- City Boundary Outline
- Easements
- Lumbase Lines / Parcel Outline
- Parcels (Outline)
- PPS Permits

**142-0225-2 BURNBROOK AVE**  
 PIN: 142-0225-2  
 APN: 420702004  
 Legal: 4-4

# Exhibit A2



# Exhibit A3



# Exhibit A4

**Available Parcel Reports**

Address:  
 1000 E MONTICUTO DR 00021  
 1001 E MONTICUTO ST 00021

Parcel Map  
 Assessor Map  
 Google Satellite Map  
 Microsoft Bing Search  
 (City of address required)

Parcel Profile Report (BAS)  
 Parcel Profile Report (DCE)  
 Property Activity Report (BAS)  
 Historic Referral Report (BAS)  
 Parcel DPDM Parcel Zone Report  
 Parcel Flood Zone Report  
 Parcel In In Report  
 Parcel Description Report  
 Public Services Report  
 Parcel Sewer Viss Report  
 County Assessor Report  
 Locants Report Site Report  
 L.A. City Land Reports Report  
 IOLU Latest Report

U: Unassigned Number

**Layers**

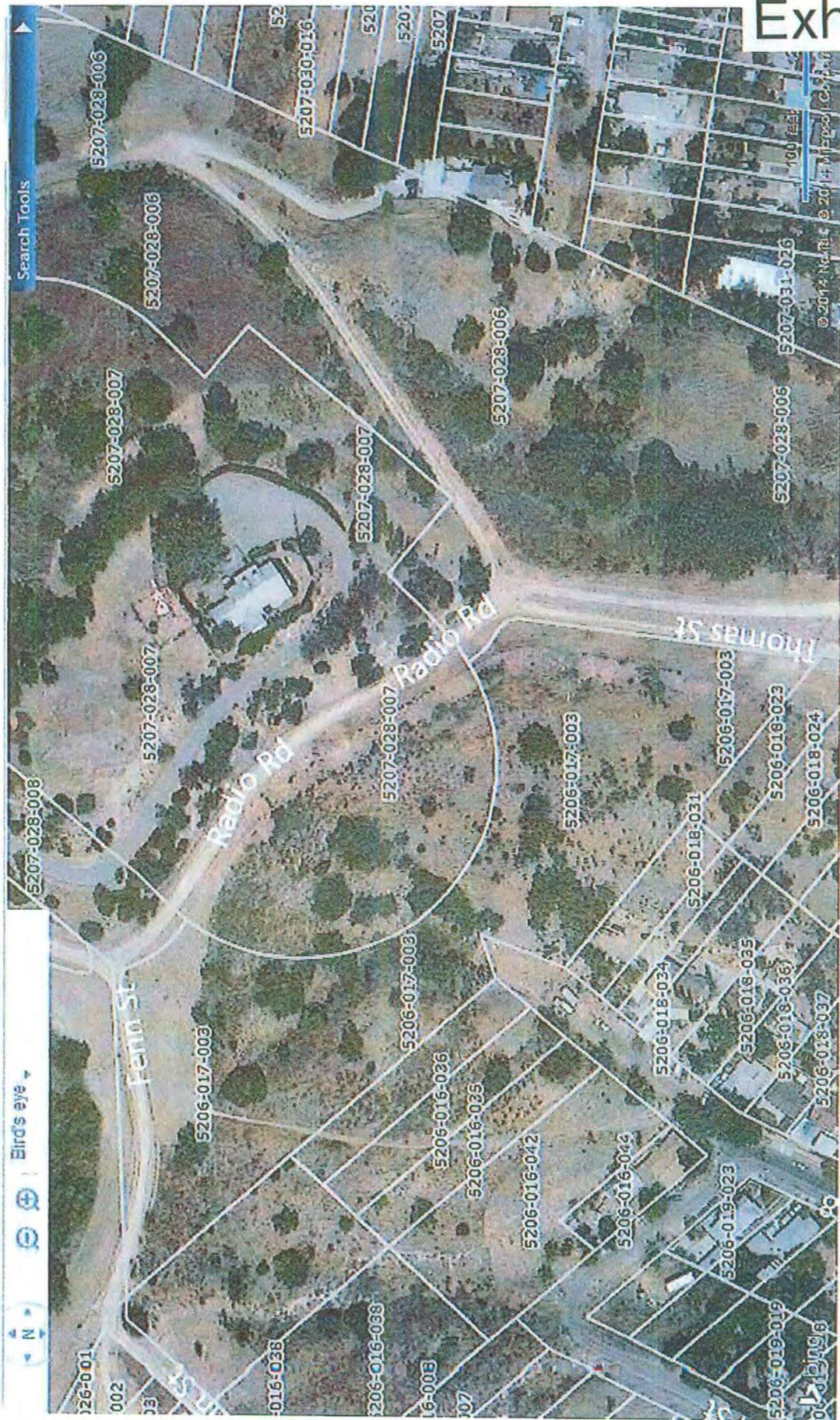
- BOC Permits
- BOC Capital Improvement Projects
- Item-BOC Public Way Restorations
- Peak Hour Dumpsters
- Public Way Reservation System (PWRS)
- Map Notes
- Bureau of Street Lighting
- Bureau of Street Services
- Census 2010
- City Planning Department
- DWP
- Fire Department
- General Services Department
- Geotechnical
- Housing Department
- Hydrographic Information
- LADOT
- LADP
- LAUSD Schools
- Mayor's Office
- Metro Bus and Metro Rail
- Recreation and Parks Department
- Survey Information
- Sewer Information
- Stormwater Information
- Street Information
- Special Areas
- Maps and Indices
- Landmarks
- Building Footprints
- City Boundary Outline
- Submittals
- Landbase Lines / Parcel Outline
- Parcels (Outline)
- Parcels

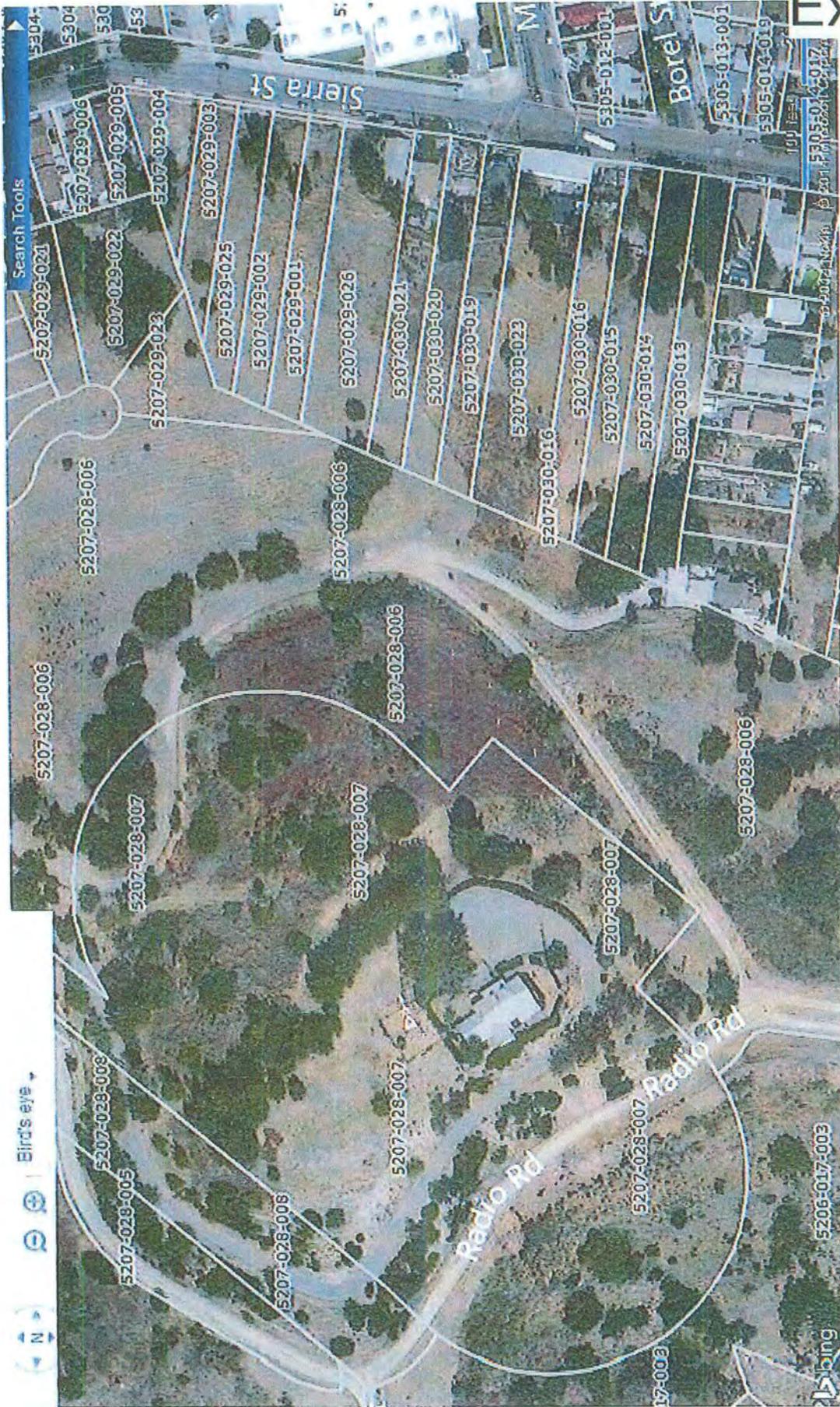
**1000 E MONTICUTO DR**  
 APR: 020700000  
 LOTS: 000000000  
 LOTS: 000000000





# Exhibit A7





## MATTERS PENDING

Matters Pending will be carried for a maximum of six months, after which time they will be deemed withdrawn and rescheduled whenever a new staff report is received.

### GENERAL MANAGER'S REPORTS:

| <u>ORIGINALLY<br/>PLACED ON<br/>BOARD AGENDA</u> | <u>PLACED ON<br/>MATTERS<br/>PENDING</u> | <u>DEEMED<br/>WITHDRAWN</u> |
|--|--|-----------------------------|
|--|--|-----------------------------|

None

### BIDS TO BE RECEIVED:

|         |  |
|---------|--|
| 8/19/14 | Woodland Hills Recreation Center (PRJ20090) (W.O. #E1907454)                         |
| 8/26/14 | Gaffey Street Pool (Pool & New Bathhouse) Restoration (PRJ20726)<br>(W.O. #E1907453) |

### PROPOSALS TO BE RECEIVED:

|         |   |
|---------|---|
| 8/12/14 | Operation and Maintenance of the Greek Theatre Concession |
|---------|---|

### QUALIFICATIONS TO BE RECEIVED:

None