

APPROVED

FEB 21 2007

REPORT OF GENERAL MANAGER

NO. 07-41

DATE February 21, 2007

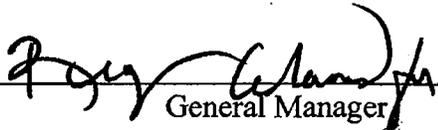
**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. 1

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: TAYLOR YARD PHASE II - NEW PARK DEVELOPMENT (#1202S)
(W.O. #E1904346) - CONTRACT NO. 3165 - PARTIAL COMPLETION AND
RELEASE OF UNDISPUTED CONSTRUCTION CONTRACT RETENTION

R. Adams	_____	J. Kolb	_____
J. Combs	_____	F. Mok	_____
H. Fujita	_____	K. Regan	_____
S. Huntley	_____	*M. Shull	<u>Call for M.S.</u>


General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the partial acceptance of work under Contract No. 3165 as outlined in the body of this report, subject to satisfaction of conditions listed under Article 48, General Conditions, of the contract;
2. Authorize the Department's Chief Accounting Employee to release all retention monies currently held under Contract No. 3165 to Los Angeles Engineering, Inc., except for \$20,000 for the cost of preparing as-built drawings and operation and maintenance manuals, subject to satisfaction of conditions listed under Article 48, General Conditions, of the contract;
3. Direct the Department's Chief Accounting employee to retain 10% of all future progress payments relating to Change Order No. 35, construction of the park office/community building, as well as any new change orders contained in future progress payments; and
4. Authorize the Board Secretary to furnish Los Angeles Engineering, Inc., Contract No. 3165, with a letter of partial completion, subject to satisfaction of conditions listed under Article 48, General Conditions, of the contract.

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SUMMARY:

On September 21, 2005, the Board approved the award of a construction contract in the amount of \$7,639,100 to Los Angeles Engineering, Inc., (Board Report No. 05-237) for construction of the Taylor Yard Phase II – New Park Development (#1202S) (W.O. #E1904346), located at 1900 North San Fernando Road, Los Angeles, CA 90065-1266. Contract No. 3165 was executed on October 20, 2005, for construction of a new forty (40) acre park located on State owned property now known as Rio de Los Angeles State Park, as renamed by the State Park Board of Commissioners, and formerly known as Taylor Yard. The City of Los Angeles is leasing twenty (20) acres of the property through a lease agreement with the State.

The City leased portion of the project provided for the development of one regulation natural turf soccer field, one regulation size synthetic turf field, two youth natural turf soccer fields, sports field lighting, four basketball courts, two tennis courts, splash pad, children's play area, one baseball field, one softball field, parking, and park office/community building (building). The completed project has made use of many sustainable design practices such as the use of smart irrigation systems, permeable parking surfaces, use of native landscaping, on-site storm water treatment and collection, and a synthetic soccer field. All of this work has been completed under the terms of the contract with the exception of the building. On November 1, 2006, the Board approved Change Order No. 35 for construction of the building (Board Report No. 06-321) for a not-to-exceed amount of \$1,100,000, subject to Council approval for Proposition 12-PC (\$302,015) and Proposition 40 - PC (\$350,000) funding. The City's portion of the project has been funded through Proposition 40, Proposition 12, Proposition K, State Parks, Community Development Block Grant (CDBG) and the City's General Fund.

The remaining twenty (20) acres to be operated by the State, which was included in the scope of work under Contract No. 3165 with Los Angeles Engineering, Inc., included construction of natural, native landscaped passive areas such as trails, picnic areas, and a wetland area. Much of the wetland area acts as containment and treatment of collected on-site storm water run-off. All of this work has been satisfactorily completed under the terms of the contract as well. This work was funded under a grant agreement with the State of California's Department of Parks and Recreation which was previously approved by the Board on June 15, 2005 (Board Report No. 05-148).

Because the contractor has satisfactorily completed all work contained within the contract for both the City's and State's portion of the project with only the building construction remaining, staff is recommending that all retention monies withheld to date be released back to the Contractor with the exception of \$20,000. This amount has been estimated to cover the cost of the as-built drawings and operation and maintenance manuals. Staff is further recommending that 10% be retained from all progress payments relating to construction of the building in accordance with General Requirement No. 20.

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To date, a total of \$2,441,356 in change orders has been agreed to on this project (Change Order Nos. 1 to 40). Of that amount, \$2,167,317 was used to award City Deductive Alternate Nos. 1, 2, 3, 4, 5, 6 and 7. Therefore, the actual change order value resulting from errors, omissions and unforeseen conditions is \$274,039, which represents only 3.6% of the original contract. However, there are approximately \$60,000 in additional change orders which have merit but have not been negotiated and approved for payment as of yet. Even with the estimated additional change orders, the change order percentage is still significantly less than the 10% to 15% normally expected on a project of this scale.

It is anticipated the park, with the exception of the building, will open by the scheduled contract completion date of March 21, 2007. The necessary safety precautions will be taken to secure the construction area around the building to allow for the community to enjoy the many other amenities contained in their new 40-acre park.

The Bureau of Engineering Construction Management Division completed the construction management of the project under the Proposition K Program and is in agreement with partial acceptance of the project.

Department staff consulted with the Office of Contract Compliance concerning the status of the labor compliance requirements and affirmative action requirements of the project. No outstanding wage violations exist and, to date, Los Angeles Engineering, Inc., is in compliance on this project.

FISCAL IMPACT STATEMENT:

The Department is in negotiations with State Parks for a collaborative approach to maintaining the forty-acre park and will be coming back to the Board under a separate report outlining the agreed terms and conditions of the maintenance agreement. Furthermore, the Department did receive initial maintenance funding in the 2006-2007 budget and has prepared a full 2007-2008 budget request for operations and maintenance for the 20 acres of leased parkland including the park office/community building.

This report was prepared by Michael A. Shull, Superintendent, Planning and Development.