

REPORT OF GENERAL MANAGER

**APPROVED**  
MAR 21 2007

NO. 07-66

DATE March 21, 2007

C.D. 8

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD OF RECREATION  
and PARK COMMISSIONERS

SUBJECT: LOREN MILLER CHILDCARE CENTER - BUILDING ADDITION TO THE EXISTING CHILDCARE FACILITY (W.O. #E170299F) - AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS, THE BUREAU OF ENGINEERING, AND THE DEPARTMENT OF GENERAL SERVICES

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

*[Signature]*  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Approve the proposed Amendment to the Memorandum of Understanding (MOU), substantially in the form on file in the Board Office, between the Department of Recreation and Parks (RAP), the Bureau of Engineering (BOE) of the Department of Public Works and the Department of General Services (GSD), to expand the scope of work to include renovations and improvements to the existing childcare facility, to increase the total construction funding for the project by \$826,800, for a total construction cost of \$1,791,300, and extend the term to 180 calendar days after the transfer of funds to GSD, or execution of the proposed Amendment, whichever is later, for the Loren Miller Childcare Center - Building Addition to the Existing Childcare Facility (W.O. #E170299F) project, subject to the approval of the City Attorney as to form;
2. Request staff, in accordance with the proposed Amendment and upon its execution, with the assistance of the CAO, to facilitate the necessary Council approval to appropriate \$826,800 in construction funds to GSD, as follows:

REPORT OF GENERAL MANAGER

PG 2

NO. 07-66

FROM:

<u>Fund Sources</u>	<u>Fund/Dept/ Account No.</u>	<u>Encumbrance Amount</u>
Proposition K-8 and Prop K-8 Inflation	43K/10/W459	\$ 357,800
Proposition 12 & 40 Cash Flow*	205/88/TBD	\$ 300,000
Urban Development Action Grant (UDAG)	356/22/Y315	<u>\$169,000</u>
	Total	\$826,800

TO:

Through GSD Account Y140, to the appropriate GSD accounts in Fund 100, Dept. 40, listed below:

1101 – Construction Salaries Hiring Hall:	\$281,000
1121 – Construction Salaries Hiring Hall Fringe Benefits:	\$ 94,000
3180 – Construction Materials and Supplies:	<u>\$451,800</u>
Total:	\$826,800

\*Funds to be reimbursed upon receipt of Proposition 12 Roberti-Z' Berg-Harris (RZH) grant funds from the State.

3. Authorize the Department Grants Accounting staff to transfer cash to the GSD on an as-needed basis, upon review and approval of the expenditure reports submitted by GSD;
4. Direct the Board Secretary to transmit the Amendment to the MOU to the City Attorney for review and approval as to form; and,
5. Authorize the General Manager to execute the proposed Amendment, subject to approval as to form by the City Attorney.

SUMMARY:

The Loren Miller Childcare Center - Building Addition to the Existing Childcare Facility (W.O. #E170299F) is located at 2717 Halldale Avenue, Los Angeles, CA 90018. The project consists of constructing a 1,860 square-foot addition along the west side of the multi-purpose room of the existing childcare facility. The new addition will include a new classroom, restrooms, storage area, staff office and outdoor play area. Construction began on February 21, 2006 and is approximately 60 percent complete.

## REPORT OF GENERAL MANAGER

PG 3

NO. 07-66

On June 24, 2004, the Board of Recreation and Park Commissioners approved a MOU to establish responsibilities between the RAP, BOE and GSD for the addition to the existing childcare facility for a not-to-exceed amount of \$964,500 (Board Report No. 04-221 Revised). At the time of the MOU, GSD had not completed a cost estimate because the construction documents were not complete. The project was originally scheduled for design in Proposition K Year 8 (Fiscal Year 2005-2006) but was reprogrammed and awarded to GSD to help balance the five-year plan in Proposition K Year 7 (Fiscal Year 2003-2004). The final construction design documents were completed in September 2005, and the building permit was secured in February 2006.

Prior to the start of construction, GSD informed BOE that the project construction cost in the original MOU needed to be increased by an additional \$657,800 which included a 10% contingency. To help reduce the impact of the construction budget increase, BOE has agreed to limit its charges against the project to approximately 13% of the project costs.

On June 7, 2005, City Council approved the first appropriation of funds to GSD in the amount of \$850,000 for the project (Council File No. 04-0600-S56). On November 21, 2006, the City Council approved the appropriation of the remaining construction funds to the project in the amount of \$114,500 (Council File No. 06-0600-S59). Those two appropriations, in the total amount of \$964,500, have been received by GSD. However, those funds have essentially been exhausted and the project is approximately 60% complete. Because the additional funding is not currently available, GSD is only able to maintain a skeleton crew on site to deter vandalism.

During the design phase of the project, Council District Eight (CD 8), Local Volunter Neighborhood Oversight Committee (LVNOC) members and RAP staff also requested that additional improvements be made to the existing childcare center. CD 8 has secured \$169,000 in UDAG funds to implement the requested improvements; these funds can only be used towards these improvements. These improvements include new cabinetry, wall and floor finishes, plumbing fixtures, exterior security lighting and improvements to the existing play area. BOE recommends expanding the scope of work to include the renovations and improvements to the existing childcare facility.

BOE recommends that an additional \$357,800 in Proposition K Year 8 funds as well as the UDAG funds (\$169,000) be transferred to GSD's account. At the February 22, 2007 City Council meeting, the Council approved a report by the Proposition K - L.A. for Kids Steering Committee to reallocate \$378,652 in Proposition 12 RZH funds to the project from the Undesignated Funds in the Southern Region and BOE also recommends that \$300,000 of these funds be transferred to GSD's account. The Proposition 12 RZH funds are with the State and are currently unavailable for transfer to GSD. The Proposition 12 and Proposition 40 Cash Flow Funds, approved by Council to cash flow Proposition 12 and Proposition 40 funded projects (Council File No. 06-2978), will be used to cash flow the Proposition 12 RZH grant funds and will be reimbursed upon receipt of these funds from the State.

REPORT OF GENERAL MANAGER

PG 4

NO. 07-66

GSD has indicated that they can complete all required construction within 180 calendar days after the transfer of funds to GSD or execution of the Amendment to the MOU, whichever occurs last, as follows:

Funding Source	Fund/Dept/Acct No.	Funding for Initial MOU (Revised Board Report No. 04-221)	Funding for Proposed MOU Amendment	Total Project Funding
Proposition K-7	43K/10/V459	\$180,000	-	\$ 180,000
Proposition K-8 and Proposition K-8 Inflation	43K/10/W459	\$784,500	\$357,800	\$1,142,300
Proposition 12& Proposition 40 Cash Flow*	205/88/TBD	-	\$300,000	\$ 300,000
UDAG	356/22/Y315	-	<u>\$169,000</u>	<u>\$ 169,000</u>
<b>TOTAL</b>		<b>\$964,500</b>	<b>\$826,800</b>	<b>\$1,791,300</b>

\*Funds to be reimbursed upon receipt of Proposition 12 RZH grant funds from the State.

Originally programmed as a childcare refurbishment project, it was determined that the project was exempt from California Environmental Quality Act (CEQA) and a Notice-of-Exemption (NOE) was filed on June 20, 2003. The new project scope, which includes an extension to the childcare building along with the refurbishment of the existing facility, has also been determined to be exempt from CEQA, pursuant to Article III, Section 1, Class 1(1, 4, 5, 12), Class 2(3), and Class 11(3). An NOE will be filed within five days of the approval revised the project.

FISCAL IMPACT STATEMENT:

The future operation and maintenance costs as a result of the completion of this project have yet to be determined.

Prepared by Ofelia Rubio and David Takata, Bureau of Engineering, and reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program; and reviewed by Bradley M. Smith, P.E., Chief Deputy City Engineer, Bureau of Engineering.