

APPROVED

REPORT OF GENERAL MANAGER

MAY 16 2007

NO. 07-108

DATE May 16, 2007

BOARD OF RECREATION and PARK COMMISSIONERS

C.D. 12

BOARD OF RECREATION AND PARK COMMISSIONERS.

SUBJECT: NORTHRIDGE PARK POOL AND BATHHOUSE (W.O. #E170600F) - DISCONTINUANCE OF RETENTION

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

[Signature]
 General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board

1. Approve the request of Morillo Construction, Inc., to discontinue further retention for Northridge Park Pool and Bathhouse (W.O. #E170600F), Contract No. 3171; and,
2. Direct the Board Secretary to notify all interested parties regarding said retention discontinuance.

SUMMARY:

The Department is in receipt of a request from Morillo Construction, Inc., for the Northridge Park Pool and Bathhouse (W.O. #E170600F), Contract No. 3171, to discontinue withholding further retention for all subsequently approved payment claims as the project is more than fifty-six percent (56%) complete. The current construction contract amount is \$4,997,350. To date, the total retention funds withheld amount to \$279,674.80, which has been paid to the escrow account.

Pursuant to Division 01 – General Requirements, Section 20.D.1 of the Contract, retention of ten percent (10%), is held on the original Contract value of each approved payment claim until the amount paid of the original Contract equals fifty percent (50%). The City may then, at its sole discretion, discontinue further retention on the original Contract value for all subsequently approved payment claims if the project is progressing satisfactorily, provided that at any time during the course of the Contract, the City may, at its sole discretion, reinstate the ten percent (10%) retention.

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This conforms to standard practice on construction contracts. In addition, the project manager recommends that this request be honored as Morillo Construction, Inc., is in compliance with the contract and is moving forward with the project.

FISCAL IMPACT STATEMENT:

There will be no fiscal impact as the monies involved are already appropriated to this contract.

Report prepared by Paul Liles, Clerk Typist, Commission Office.