

APPROVED
OCT 03 2007

REPORT OF GENERAL MANAGER

NO. 07-224

DATE October 3, 2007

**BOARD OF RECREATION
and PARK COMMISSIONERS**

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GRIFFITH OBSERVATORY – RENOVATION AND EXPANSION PROJECT
(#1504C) (W.O. #E170210F) – PARTIAL ACCEPTANCE AND RELEASE OF
RETENTION

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

David J. Amoroso
for General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the partial acceptance of the work performed on the Griffith Observatory Renovation and Expansion project (#1504C) (W.O.# E170210F) (Project), under Contract No. 3068 with S.J. Amoroso Construction Co. Inc., (Amoroso) as outlined in the body of this report;
2. Authorize the Board Secretary, subject to satisfaction of all conditions of Article 47 of Contract No. 3068, to release all retention monies held in escrow under Contract No. 3068 to Amoroso, except for \$100,000, which is twice the value of the uncompleted punchlist work, as required by Article 47 of the General Conditions of the contract and \$976,991.50 in existing Stop Notice claims, for a total withheld amount of \$1,076,991.50. The remaining retention shall be recommended for release, and final acceptance requested from the Board, upon completion of remaining punchlist items, the receipt of final as-built drawings and Operations and Maintenance manuals, and execution of the final close-out change order; and,
3. Authorize the Board Secretary to furnish Amoroso with a letter of partial completion indicating the release all retention monies held in escrow, except for the remaining withheld amount of \$1,076,991.50, subject to satisfaction of all conditions listed under Article 47 of the General Conditions of the Contract.

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SUMMARY:

The construction contract for the Griffith Observatory Renovation and Expansion project (#1504C) (W.O.#E170210F) was awarded to Amoroso, on September 20, 2002 (Board Report No. 02-339), in the amount of \$41,790,000 (which includes Additive Alternate G, which was awarded at the time of initial project construction award). Five additional contract Additive Alternates have been exercised, in the total amount of \$4,060,000 (Board Report Nos. 03-138, 03-226 and 04-81), which bring the Base Contract (with Additive Alternates) amount to \$45,850,000. The Project, which is located at 2800 East Observatory Road, provided for a complete renovation and a 40,000 square foot underground expansion of the Griffith Observatory. The project was substantially completed on October 30, 2006, and opened to the public on November 3, 2006.

The remaining retention amount of \$3,277,000 is currently held in a third party escrow account. The project closeout activities have progressed to the point where the value of the final deliverables as identified in Recommendation No. 2 above is estimated at \$50,000, as previously stated, that would require retention of twice the amount of remaining work or \$100,000. Staff expects one final closeout additive change order, which will resolve all project delays. A future Board Report will be written to address this project closeout change order, and upon completion of all deliverables, a Board Report will be prepared to request final acceptance and release of remaining retention.

The contractor has requested a reduction in retention, and the Bureau of Engineering (BOE) recommends this retention reduction be allowed, inasmuch as additional compensation to the contractor is forthcoming in the final closeout change order.

FISCAL IMPACT STATEMENT:

The operation and maintenance costs of the Griffith Observatory are already included in the Department's current General Fund annual budget appropriation. There is no impact on the Department's General Fund as the monies to be released were previously appropriated for this project, and there are sufficient funds in the project account to cover all identified Stop Notices and the anticipated final closeout Change Order.

Report prepared by Larry Gonsalves, Construction Manager, Bureau of Engineering Construction Management Division and Neil Drucker, Program Manager, Bureau of Engineering, Recreational and Cultural Facilities Program. Reviewed by Michael Brown (for Bradley Smith, Chief Deputy City Engineer, Bureau of Engineering); and, Michael A. Shull, Superintendent, Planning and Development Division, Department of Recreation and Parks.