

APPROVED
SEP 19 2007

REPORT OF GENERAL MANAGER

NO. 07-213

DATE September 19, 2007

BOARD OF RECREATION
and PARK COMMISSIONERS

C.D. 3

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LANARK POOL AND BATHHOUSE RENOVATION (W.O. #E170928F) –
PARTIAL ACCEPTANCE AND PARTIAL RELEASE OF RETENTION

R. Adams _____
H. Fujita _____
S. Huntley _____
V. Israel _____

J. Kolb _____
F. Mok _____
K. Regan _____
*M. Shull _____

M. Shull

[Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the partial acceptance of work and approve the partial release of 50% of the retention monies on 98% of the work on Lanark Pool And Bathhouse Renovation (W.O. #E170928f) under Contract No. 3186, with the Western Group, Inc., as outlined in the body of this report, subject to satisfaction of conditions listed under Article 48, General Condition of the contract;
2. Authorize the Department's Chief Accounting Employee to release 50% of the retention monies held under Contract No. 3186 to Western Group, Inc., five calendar days after the partial acceptance by the Board; and
3. Authorize the Board Secretary to furnish Western Group, Inc., Contract No. 3186, with a letter of partial completion indicating the release of 50% of the retention monies held under said contract, subject to satisfaction of conditions listed under Article 48 of the General Conditions of the Contract.

SUMMARY:

The construction contract for the Lanark Pool and Bathhouse Renovation (W.O. #E170928F) project was awarded to Western Group, Inc., on June 15, 2006 (Board Report No. 06-167), in the amount of \$2,750,000. The project, which is located at 21827 Strathern Street, Canoga Park, provided for the

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replacement of the existing swimming pool and renovation of the existing bathhouse in conformance with the current Building Code Standards, as well as the American with Disabilities Act (ADA).

Western Group, Inc., started construction on July 10, 2006. Construction quickly progressed to meet the Department's aggressive schedule to open the facility for public use in the summer of 2007. On June 18, 2007, the Department took possession of the Lanark Pool Replacement and Bathhouse Renovation project and opened the facility for operation on June 20, 2007, when the overall project was 98% complete. An arrangement was made for the contractor to perform the remainder of the work while the facility was already occupied by the Department.

The total retention amount for this contract is 10% of the total contract amount of \$3,279,079, which is \$327,907.90. Western Group, Inc., submitted Payment Request No. 12 (PR#12) in the amount of \$272,947.55. The amount includes a requested payment of \$163,953.95, representing the release of half of the retention for the 98% of the work, which has been completed. The remaining half of the retention will be kept by the City until Final Acceptance by the Board is approved.

As previously stated, the total contract amount completed to date is \$3,279,079. The total contract amount includes the base contract amount of \$2,750,000, plus 43 change orders approved to date, for unforeseen conditions and project betterment for an amount of \$607,196 or 18% of the project cost to date. This currently brings the total construction cost to \$3,357,196.

The project was funded by Quimby Funds, Proposition 40, Proposition 12, General Funds, Recreation and Parks Special Funds, Community Redevelopment Agency (CRA) AB1290 funds and Sites and Facilities FY 05-06 funds. The details of funding sources utilized for this project were outlined in Board Report No. 06-167.

The Bureau of Engineering (BOE), Architectural Division recommends payment of half of the retention monies to Western Group, Inc., who exhibited the utmost cooperation in constructing the facility promptly in order to open the facility in time for the swim season of 2007.

Article 48 of the General Conditions of the contract states that the City may, if the work is progressing satisfactorily, release part of the retention of the work for which a statement of partial completion has been issued, provided that the following conditions have been met:

1. Partial final inspection corrections have been completed to the satisfaction of the Inspector;
2. The contractor submits a written request for release of retention which includes a verifiable valuation of the identified portions of the work covered by the statement of partial completion;
3. Impacted subcontractors, major suppliers and the contractor's surety all agree in writing to release retention;

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4. If any minor corrections remain which do not directly affect operations or maintenance then twice the values of the remaining cleanup items shall be retained on each request for release; and
5. The contractor signs a change order which specifically states the value of the retention being released.

Upon satisfaction of the Article 48 of the General Conditions of the contract, BOE also recommends that the Board Secretary be authorized to issue a letter of partial completion.

As soon as the Statement of Final Inspection is obtained from the Bureau of Contract Administration, a recommendation for Final Acceptance by the Board will be prepared, to close out the Contract and allow release of the remaining retention funds.

FISCAL IMPACT STATEMENT:

There is no immediate fiscal impact to the Department's General Fund; however, future operations and maintenance costs will be assessed upon completion of the project and will be included in future budget requests.

Report prepared by Fred David, Project Manager, BOE Architectural Division. Reviewed by Reza Bagherzadeh, BOE Architectural Division; Neil Drucker, Program Manager, Recreational and Cultural Facilities Program; Bradley M. Smith, Chief Deputy City Engineer, Bureau of Engineering; and Michael A. Shull, Superintendent, Planning and Development, Department of Recreation and Parks.