

APPROVED
FEB 18 2009

REPORT OF GENERAL MANAGER

NO. 09-041

DATE February 18, 2009

**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ROSS SNYDER RECREATION CENTER - GIFT AGREEMENT WITH NIKE USA, INC., AND THE LA84 FOUNDATION FOR THE REPLACEMENT OF SYNTHETIC TURF AT AN EXISTING SOCCER FIELD

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

Greg Adams
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve a proposed Gift Agreement (Agreement), substantially in the form on file in the Board Office, with NIKE USA, Inc. (Nike) and the LA84 Foundation (Foundation) for a gift consisting of \$120,000 to be used towards the replacement of synthetic turf at the existing soccer field at Ross Snyder Recreation Center, subject to the approval of the Mayor and the City Attorney as to form;
2. Direct the Chief Accounting Employee to designate a Department fund and account number into which the gift amount of \$120,000 shall be deposited upon receipt of the funds;
3. Authorize the Department to enter into a sole source construction contract with Empire and Associates dba Sprinturf for an amount not to exceed \$295,000 for the replacement of the synthetic turf materials at the Ross Snyder Recreation Center synthetic soccer field;
4. Direct the Board Secretary to transmit the proposed Agreement to the Mayor in accordance with Executive Directive No. 3, and concurrently to the City Attorney for review and approval as to form;
5. Authorize the Board President and Secretary to execute the Agreement upon receipt of the necessary approvals.

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SUMMARY:

As a gift to the City of Los Angeles (City), Nike and Foundation (collectively referred to as Donors) have offered to contribute \$120,000 (Gift), towards the replacement of synthetic turf (Project) at the existing soccer field (Field) at the Ross Snyder Recreation Center (Center), located at 1501 E. 41st Street, Los Angeles, CA 90011. This is only one of several sites at which Nike and LA84 Foundation have made generous donations of various field and court resurfacing projects. Donors and the Department wish to continue this valuable relationship in order to provide the youth of Los Angeles with opportunities to play and train on state-of-the-art athletic facilities. Any additional sites and projects identified and mutually agreed to by the Department and Donors in the future, shall be considered separate from this Agreement.

The existing synthetic field at the Center is in need of replacement due to its composition, age and heavy use. It was manufactured at a time when lead was used in the pigment of the turf fibers. The Field has been tested by both representatives of the Department and the turf manufacturer. Although the manufacturer's results concluded that the Field tested below allowable lead limits under a test developed by the California Consumer Safety Products Commission, the Department has chosen to take a more conservative approach and believes that it is in the interest of the community to have the synthetic field materials replaced with new materials, for both added precaution and due to the fact that the Field is beyond its expected lifespan. The replacement of the Field eliminates the possible long term risk of the fibers breaking down, thus allowing a possible means of human contact directly with the lead.

Donors are providing this generous Gift through Nike's "Let Me Play" program, which provides grants to community groups and government entities in support of the promotion of sport in an effort to get youth active and to promote positive social change. As part of the Let Me Play Program, Nike incorporates the use of its "Nike Grind" materials. Nike Grind is a component of Nike's Corporate Responsibility initiative, which strives to reduce the environmental footprint created from the production of athletic footwear. Worn-out athletic shoes of any brand are collected through Nike's Reuse-A-Shoe program, along with manufacturing scrap, and processed into three products collectively known as Nike Grind; including Nike Grind rubber, foam, and upper fabric. To date, nearly 25 million pairs of athletic shoes have been recycled through this first-of-its-kind program.

Nike has partnered with various market-leading sports surface providers which utilize these materials to create sustainable, high-quality, high-performance sports surfaces. Not only are these products better for the environment and one's body, but they are also more cost effective. Pursuant to Donor requirements, and the terms and conditions of the proposed Agreement, the Department shall contract with Sprinturf (Contractor) on a sole source basis for an amount not to exceed \$295,000. The basis for the sole source contract is the Contractor's contractual relationship with Nike for the exclusive use of Nike Grind materials. Donors shall contribute the proposed Gift of \$120,000 and the Department shall contribute up to \$175,000. The Department's portion of the

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Project's funding shall come from the reallocated amount of \$200,000 from the unexpended Recreation and Parks (RAP) Special Fund, originally from Municipal Recreation Program (MRP) Fund, for the Northridge Pool and Bathhouse Replacement project. The reallocation of these funds is before the Board for consideration as a separate item on today's Special agenda.

The plans and specifications for the proposed Project have been reviewed and approved by staff from the Department's Planning and Development Division and shall be provided to Contractor upon award of the sole source contract. Department staff shall assist the Contractor in obtaining all necessary permits, authorizations and consents, as well as right of entry to the project location to perform the necessary work.

Nike and its affiliated vendors have worked successfully with City staff in the past on similar projects, such as the installations of synthetic soccer fields at Glassell, Algin Sutton, and Lafayette Recreation Centers, as well as with the installation of a synthetic basketball court at Green Meadows Recreation Center and the resurfacing of an outdoor court at 6th and Gladys Park. There are also presently five (5) sites undergoing field and court improvements funded by the Donors: Hubert Humphrey Recreation Center synthetic athletic field, and indoor basketball court refurbishments at the Lincoln Park, Harbor City, Ramona Gardens, and Central Recreation Centers.

In exchange for the proposed Gift, and with the understanding that the term of the proposed agreement is three (3) years from the date of its execution, the Department will agree to terms and conditions including, but not limited to, the following:

1. Maintaining the Field in a safe and attractive manner consistent with the Donors' image and reputation, and the terms and conditions of the product warranty;
2. Acknowledging Nike and LA84 Foundation as Donors on applicable Department written materials, news releases, and related marketing or publicity including, but not limited to, a "kick-off" press conference and/or Field dedication event;
3. Assisting and cooperating in mutually acceptable Field dedication event at the Field;
4. Allowing Donors the right to publicize, show photographs, and use the name of the Field and otherwise promote the Donors' contribution;
5. Allowing Donors the right to use the Field from time to time for sports events, upon reasonable notice and subject to the approval of the Department;
6. Allowing Donors to incorporate their logo(s) and/or trademark(s) as part of the Field design, subject to the Department's prior review and approval.

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7. Allowing Donors the right (but not the obligation) to place and remove, on or around the Field, their logo(s), trademark(s), and other signage, marks and/or insignia as related to events held at the Field, subject to the approval of the Department; and,
8. Allow Nike and/or LA84 Foundation to operate a booth or similar area for strictly promotional purposes at Nike and/or LA84 Foundation events held at the Field.

The performance of the above requirements shall not interfere with Department programming and/or prescheduled events at the Field. Donors will coordinate with the Department prior to committing the Field to any events not operated by the Department.

Staff has determined that this project will be realized through the provisions of an agreement between the Department and the partnership of Nike USA, Inc., and LA84 Foundation, which will consist of the replacement of an existing synthetic turf soccer field, referred to as "Field," at Ross Snyder Recreation Center. The Field is an accessory use to the park and replacement of the existing synthetic turf will constitute minor remodeling that will result in negligible or no expansion of use. Therefore, the Project has been determined to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1 (1) of the City CEQA Guidelines.

The Assistant General Manager of Operations East and the Superintendent of the Pacific Region support the recommendations contained in this report.

FISCAL IMPACT STATEMENT:

This project should not have any impact on the Department's General Fund, as the costs of replacing the Field's synthetic turf will be funded by the proposed Gift from Donors and unexpended project special funds reallocated to the proposed Project.

This report was prepared by Joel Alvarez, Senior Management Analyst from the Department's Real Estate and Asset Management Section.