

REPORT OF GENERAL MANAGER

NO. 01-280

DATE August 8, 2001

C.D. 06

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: OAKWOOD RECREATION CENTER - FACILITY ENHANCEMENT (#1608E) - APPROVAL OF FINAL PLANS AND CALL FOR BIDS

J. Combs \_\_\_\_\_  
A. Coroalles \_\_\_\_\_  
J. Duggan JD  
J. Kolb \_\_\_\_\_

H. Fujita \_\_\_\_\_  
\*M. Tamuri MT  
M. Matthews \_\_\_\_\_

Margie Matthews for  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

It is recommended that the Board:

1. Approve final plans and specifications; and,
2. Advertise the date for receipt of bids as Tuesday, October 23, 2001, at 3:00 p.m. in the Board Room.

SUMMARY:

Submitted are plans and specifications for the Oakwood Recreation Center - Facility Enhancement (#1608E) project, located at 767 California Ave., Los Angeles, CA, as prepared by Kwang Cook Architects.

The proposed construction involves adding a 3,800 square foot area to the existing building.

The designer's estimate for construction is \$750,000.00. Funds are available for this project from Fund 698, Accounts K237, N237 and P237. The construction period for this project has been set at 300 calendar days with a 49 day maintenance period.

Previously, the Board of Recreation and Parks Commissioners approved the staff recommendation to cancel the contract to D & M Construction, and tender the project to the surety. D & M Construction was later declared by the Board to be a non-responsible contractor on December 13, 2000. The surety company, St. Paul Fire and Marine Insurance Company, has advertised the remainder of the project for bids, with the bid of \$858,000.00 submitted by C.A. Light Construction Corp. On June 14, 2001, C.A. Light Construction Corp. sent a letter notifying the Department that they are now backing out of the contract on grounds they have commitments on other projects.

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On July 2, 2001, the Surety sent the Department a letter proposing to pay the City of Los Angeles \$63,911.00, the difference between C.A. Light Construction Corp.'s bid of \$858,000.00 and the balance of the contract funds currently held by the City of \$794,089.00. The Surety stated that they reserve their right to seek full reimbursement from the City of \$63,911.00 if it is later determined that the termination of D & M Construction was not valid. Surety also requests a release of any liability under the performance bond.

On July 28, 2001, the Department sent the attached letter to the surety notifying them we are rejecting the above offer, and we are re-advertising the project for bids to be received on October 23, 2001. Once the bids are received, the Department will advise the surety of the additional funds sought in order to complete the contract and perform their obligation to complete the project.

Staff has determined that this project is exempt from the provisions of the California Environmental Quality Act (CEQA) per Article VII, Section 1, Classes 1 (3,12,13) and 11 (1,3) of the City CEQA Guidelines.

The bid package has been approved by the City Attorney's Office.

Prepared by Richard Chang, Project Manager.