

REPORT OF GENERAL MANAGER

NO. 01-222

DATE June 13, 2001

C.D. 13

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS AND THE DEPARTMENT OF GENERAL SERVICES FOR THE CONSTRUCTION OF THE YUCCA PARK - YOUTH CENTER (#1831A)

J. Combs _____
A. Corrales _____
J. Duggan JD
J. Kolb _____

H. Fujita _____
*M. Tamuri MT
M. Matthews _____



General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

It is recommended that the Board:

1. Cancel the bids of Yucca Park - Youth Center (#1831A), and request the Department of General Services to construct the improvement;
2. Approve a Memorandum of Understanding in the amount of \$2,606,044.00 between the Department of Recreation and Parks and the Department of General Services, to provide construction services at the Yucca Park - Youth Center (#1831A);
3. Authorize the Director of Finance to transfer funds up to the amount available from the following fund and accounts to the City's reserve fund; and.

| <u>Source</u> | <u>Fund No.</u> | <u>Account No.</u> |
|----------------------|-----------------|--------------------|
| Proposition K Year 4 | 43K | P224 |
| Proposition K Year 4 | 43K | P224 |

4. Authorize the Director of Finance to transfer funds to the City's reserve fund, upon appropriation for the project, from the following sources:

| <u>Source</u> | <u>Fund No.</u> | <u>Account No.</u> |
|-----------------------------------|-----------------|--------------------|
| Community Development Block Grant | TBA | TBA |

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Fund Availability

The General Services Department will be authorized to access the City's reserve fund to cash flow the construction project. The Department of Recreation and Parks obligation to reimburse the reserve fund is limited to \$1,410,764, the current amount appropriated and available to fund the contract. If the City appropriates additional funds, the MOU will be amended to revise the fund availability amount up to the amount appropriated for the project, subject to the terms and conditions of the MOU. The General Services Department is not required to do any work in excess of the amount of the funds appropriated by the city for the project.

SUMMARY:

On May 16, 2001, the Board accepted final plans for the construction of a new boxing facility and community center (Board Report No. 01-156), the date scheduled to receive bids was listed as June 12, 2001. Given the time constraints imposed by Proposition K, which requires that a construction contract be awarded by June 30, 2001, the end of this fiscal year, there is not enough time to award the contract before June 30, 2001.

The Department of General Services has earlier agreed to demolish the strip mall across the street from the subject project (Board Report No. 01-172). They have now agreed to also construct the improvements and has provided the Department with an estimate of the cost for construction. The two Departments have agreed to enter into a Memorandum of Understanding (MOU) regarding the construction of the Yucca Park - Youth Center. A copy of the unsigned MOU is attached for the Board to review.

In compliance with the requirements of the California Environmental Quality Act (CEQA), a Mitigated Negative Declaration (MND) was prepared for the proposed project in June 1997. As a result of significant project design modifications that were made in 1998, a subsequent MND was prepared and circulated in January 1999, to the public and government agencies for review and comment. The Board adopted the subsequent MND on February 17, 1999, and a Notice of Determination was filed with the City of Los Angeles and County Clerks Office on February 23, 1999.

Prepared by Willis Yip, Project Manager.

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF RECREATION AND PARKS
AND
THE DEPARTMENT OF GENERAL SERVICES

The Department of Recreation and Parks (DRP) and the Department of General Services (GSD) desire to enter into a Memorandum of Understanding for the YUCCA PARK - YOUTH CENTER located at 6671 Yucca Street, Los Angeles, California. The purpose of this MOU is to establish a working relationship between the parties for the successful completion of this project within budget and within schedule.

The parties agree to the following:

- A. Ellen Oppenheim, General Manager
Department of Recreation and Parks
200 N. Main St., Room 1330
Los Angeles, CA 90012
2. John Kirk Mukri, General Manager
Department of General Services
Room 701, City Hall South
Los Angeles, CA 90012

Project Description

The project includes the construction of a new one story 3,200 square foot boxing/exercise facility and a 5,400 square foot community center and open courtyard. The project is scheduled to be completed in 365 (three hundred sixty five) calendar days. The estimate to complete construction of the youth center is \$2,605,044.

The construction will be funded by a combination of the following sources:

Proposition K
Community Development Block Grant (CDBG) Program

DRP shall:

1. Provide funding to GSD for the construction of the new boxing facility and community center;.
2. Approve billings, submitted on a monthly basis, for labor and material costs incurred by GSD in a timely manner.

3. Provide completed, permitted construction documents and specifications, a cost estimate based on the completed working drawing which should include a "level of quality" of construction reflected in the estimate.
4. Provide overall project management activities which shall include budget control and meeting regularly with GSD to review design and construction issues.
5. Establish jointly with GSD a time frame to respond to RFI's and Change Orders.
6. If the project budget will be exceeded, secure additional funding or reduce the scope of work.

GSD shall:

1. Review and comment on all documents provided by DRP.
2. Provide a construction schedule and submit monthly construction schedules for a joint review with DRP.
3. Construct or cause to construct the new boxing facility and community center per the permitted construction documents.
4. Prepare RFIs and Change Order Requests in a timely manner. The parties understand and agree that change orders or other unforeseen costs may increase the original construction budget. If the construction budget exceeds the available funds, the parties agree to either secure additional funding or reduce the scope of work.
5. Prepare monthly expenditure reports for DRP and invoice DRP when necessary.
6. Prepare and submit a complete breakdown of costs for the entire project. The breakdown shall itemize costs based on the trades indicated in the specifications.
7. Establish jointly with DRP work orders which break up the project into specific activities that will simplify auditing and control of project activities.
8. Understand that this project includes CDBG Funding and will comply with all CDBG requirements.

METHOD AND TIME OF PAYMENT

The General Services Department will be authorized to access the City's reserve fund to cash flow the construction project. A total of \$2,605,044 will be made available for this project. The Yucca Recreation Center project is funded through two funding sources. Each source may require a separate invoicing procedure as described below.

Community Development Block Grant

A total of \$2,100,000 in 27th Year CDBG funds will be made available for the construction of the youth center. DRP, GSD and the Community Development Department will process the necessary documents to allow the City's reserve fund to be reimbursed directly from the CDD Trust Fund.

GSD will process the appropriate documents that allow the project to be cash flowed from the City's reserve fund, pending reimbursement from CDD.

GSD agrees to request reimbursement from CDBG prior to submitting invoices for Proposition K payments (see below).

Proposition K

Prior to the commencement of construction, GSD will be authorized to incur costs from the City's general fund. GSD will provide DRP and the Office of Administrative Research Services with the invoices documenting labor and materials costs. DRP will review the invoice and process the Journal Voucher through the Office of Administrative Research Services (OARs) to transfer funds from the Proposition K Trust Fund to the general fund. The amount from Proposition K that will be used to reimburse the general fund will depend upon the amount of funds available in the Proposition K account.

COST REPORTING

On a monthly basis, GSD shall provide expenditure reports for the above project which will itemize all labor and material costs. Work order numbers will be assigned to the project so that costs can be tracked via the specific assigned numbers.

Method of Payment

For: THE DEPARTMENT OF RECREATION AND PARKS

ELLEN OPPENHEIM, General Manager

Executed this _____ day of _____, 2001

For: THE DEPARTMENT OF GENERAL SERVICES

JOHN KIRK MUKRI, General Manager

Executed this _____ day of _____, 2001