

REPORT OF GENERAL MANAGER

NO. 01-445

DATE November 28, 2001

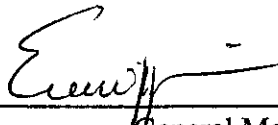
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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: APPROVAL OF MODIFICATION TO THE TAKEOVER AGREEMENT FOR THE SEPULVEDA BASIN - WOODLEY GOLF CLUBHOUSE (#1554A) - CONTRACT NO. 2850

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

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

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

It is recommended that the Board:

1. Approve a modification to the Takeover Agreement for the completion of the Sepulveda Basin - Woodley Golf Clubhouse (#1554A);
2. Approve the execution of a three party agreement in substantial form to the attached with Travelers Casualty and Surety Company of America; Duray J.F. Duncan Industries, Inc.; and the Department of Recreation and Parks; and,
3. Approve an amendment to the Memorandum of Understanding (MOU) between Recreation and Parks and the Department of General Services (GSD) for construction services.

SUMMARY:

On September 5, 2001, the Board approved a Takeover Agreement with Travelers Casualty and Surety Company of America for the completion of the Sepulveda Basin Woodley Golf Clubhouse (#1554A), under Board Report No. 01-309 Revised. Previously, the Board had approved an MOU between the Department of Recreation and Parks and the Department of General Services for the construction work relative to the completion of the project (Board Report No. 01-328).

The April 5, 2001, GSD itemized breakdown for the completion of the construction work includes a line item cost of \$197,462.00 for providing and installing the kitchen equipment. The projected time estimate for the procurement of the equipment will add an additional two to three months to the estimated four and one half month construction period. The additional delay is not acceptable to the Surety nor the Department. As the installation of the kitchen equipment is driving the construction schedule, alternatives were considered under the current structure of the agreements, however, none were deemed viable.

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In an effort to maintain the original construction period and expedite the requisition of the kitchen equipment, the Surety and the Department have agreed to have the Surety contract directly with the vendor for the purchase of the kitchen equipment. The Department will oversee the installation of equipment. All warranties will extend to the Department.

The amount of the Takeover Agreement will be reduced by an amount equal to the contract amount between the Surety and Duray J.F. Duncan Industries, Inc., for the kitchen equipment plus an agreed upon contingency.

GSD has been advised of this change in scope and is in agreement with the concept. The MOU with the Department of General Services will be reduced by the \$197,462.00 allocation for the kitchen equipment as GSD will no longer be providing this scope of work.

Prepared by Armando De La O, Contract Administrator.