

REPORT OF GENERAL MANAGER

NO. 01-309

DATE September 5, 2001

C.D. 06

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: APPROVE A TAKEOVER AGREEMENT FOR THE SEPULVEDA
BASIN/WOODLEY GOLF CLUBHOUSE (#1554A)

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

H. Fujita 1
*M. Tamuri PK For MT
M. Matthews _____



General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

It is recommended that Board approve the execution of a takeover agreement in substantial form to the one attached with the Travelers Casualty and Surety Company of America for the work at the Sepulveda Basin/Woodley Golf Clubhouse (#1554A) project.

SUMMARY:

Previously, the Board of Recreation and Park Commissioners approved actions to cancel the Contract with Target Construction at the Woodley Golf Clubhouse , and tender the project to the Surety. The Surety company has worked in conjunction with the Department to seek a means to complete the Project. The Surety and the Department have agreed to utilize the Department of General Services to complete the Project. The Board approved the MOU between Recreation and Parks and the Department of General Services to undertake this work at it's Board meeting of July 11, 2001.

The takeover agreement between the Surety and the City acknowledge the terms and conditions of the relationship between the City and the Surety. The Agreement also acknowledges that at present, there is a dispute between the Surety and the City as to the Office of Contract Compliance (OCC) findings which caused the withholding of \$295,254.00, not including penalties on the project. In an effort to restart the project while the dispute is resolved, the Surety and City have agreed to each advance half of the disputed OCC withhold amount in order to provide sufficient funds to General Services to restart the Project. Both the Surety and the City have reserved their rights to recover the advanced funds once a resolution of the labor withholding dispute occurs.

The takeover agreements has been reviewed by the Department and the City Attorney as to form.

Prepared by Maureen Tamuri, Assistant General Manager.