

SPECIAL AGENDA

BOARD OF RECREATION AND PARK COMMISSIONERS  
OF THE CITY OF LOS ANGELES

Wednesday, January 9, 2002 - 9:30 a.m.  
200 North Main Street, Room 1325  
Los Angeles, CA 90012

PURSUANT TO COMMISSION POLICY, COMMENTS BY THE PUBLIC ON AGENDA ITEMS WILL BE HEARD ONLY AT THE TIME THE RESPECTIVE ITEM IS CONSIDERED. COMMENTS BY THE PUBLIC ON ALL OTHER MATTERS WITHIN THE SUBJECT MATTER JURISDICTION OF THE BOARD WILL BE HEARD DURING THE "PUBLIC COMMENTS" PERIOD OF THE MEETING. EACH SPEAKER WILL BE GRANTED TWO MINUTES.

1. GENERAL MANAGER'S REPORTS:

- 02-17                    Proposition K Transition
- 02-18                    Downey Recreation Center - Childcare Center  
                          (#1633D) - Approval of Tender Agreement
- 02-19                    Donation to Travel Town Museum
- 02-20                    Griffith/Metro Region Donations

2. CLOSED SESSION

Pursuant to Government Code Section 54956.9(a), the Commission will meet in Closed Session to confer with legal counsel regarding RWBA v. City of LA, BC 262741 (writ of mandate challenging proposal process and award of contract to RGCI for Rancho Golf Pro Concession).

3. NEXT MEETING:

The next regularly scheduled meeting of the Board of Recreation and Park Commissioners will be held on Wednesday, January 23, 2002 at 9:30 a.m., City Hall East, 200 North Main Street, Room 1325, Los Angeles, California 90012.

4. ADJOURNMENT:

Under the California State Ralph M. Brown Act, those wishing to make audio recordings of the Commission Meetings are allowed to bring tape recorders or camcorders in the Meeting.

January 9, 2002

Sign language interpreters, assistive listening devices, or any auxiliary aides and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. For additional information, please contact the Commission Office at (213) 473-5888.

Finalization of Commission Actions: In accordance with City Charter Section 245, actions of the Board of Recreation and Park Commissioners shall become final at the expiration of the next five meeting days of the Los Angeles City Council during which the Council has convened in regular session.

Information on agenda items may be obtained by calling the Office of the Board of Recreation and Park Commissioners at (213) 473-5888. Copies of the agenda and reports may be downloaded from the Department's website at [www.laparks.org](http://www.laparks.org).

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REPORT OF GENERAL MANAGER

NO. 02-17

DATE January 9, 2002

C.D. \_\_\_\_\_

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PROPOSITION K TRANSITION

J. Combs \_\_\_\_\_ H. Fujita \_\_\_\_\_  
A. Corrales \_\_\_\_\_ M. Tamuri MT  
J. Duggan \_\_\_\_\_ M. Matthews MM  
J. Kolb \_\_\_\_\_

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

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

It is recommended that the Board:

1. Direct staff to prepare a Memorandum of Understanding (MOU) between the Department of Recreation and Parks and the Bureau of Engineering (BOE) to address the roles and responsibilities of both parties in the administration of the Proposition K projects;
2. Direct staff to identify a process in the MOU by which the Board can formally adopt the project scope for all new Proposition K projects;
3. Direct staff to include in the MOU that the Department of Recreation and Parks shall have the right of first refusal for landscape design projects prior to such work being contracted to an outside professional services firm;
4. Direct staff to identify the delegation of change order authority in the MOU from the Board of Recreation and Parks Commission to the BOE in an amount up 25% of the allotted contingency on each project;
5. Require that the MOU specify BOE responsibilities and actions to be taken in the event of anticipated and/or actual budget overruns; and,
6. Require that the BOE prepare and submit to RAP monthly progress reports including narrative on the individual projects current status, cost and schedule updates.

SUMMARY:

At the Board meetings of November 28 and December 13, 2001, the Board of Recreation and Parks requested staff to provide them a more through briefing of the Proposition K projects. This report summarizes previous Board presentations, addresses the current status of discussions between the

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Department and the Bureau of Engineering with regard to providing project management of the Proposition K projects, and seeks the Boards approval on specific issues of authority.

Based on the Board's 11/7/01 conceptual approval of transferring project management to BOE, the Department of Recreation and Parks has initiated transfer of a portion of the Proposition K, years 1 to 5 active projects. These consist of 29 projects in construction valued at \$64,000,000, and 27 in design valued at \$85,000,000. Yet to be transitioned are any of the future Proposition K, year 6 and beyond efforts. Discussions leading to the full transition of projects are underway, and Board direction is sought relative to the delegation of Board authorities to be captured in an MOU between the Departments.

### Authorities

City Charter Section 590 provides the Department of Recreation and Parks with the power and the duty to establish, construct, maintain and control, wherever located, all parks of the City of Los Angeles, and to design any site and facility under the jurisdiction of the Department. The Charter also designates to the Board of Commissioners the power to control all Recreation and Park sites.

Proposition K funds are overseen by the L. A. For Kids Steering Committee, which meets monthly and recommends an annual spending plan to the Council, as well as a five year plan. The City Council must levy the \$25,000,000 Proposition K assessment annually, and adopt a listing of projects to be funded in the next fiscal year by June 30<sup>th</sup> of each year. A summary of the Proposition K program is provided in Attachment A.

### Status of the Transition Plan

At this time, the Department is in discussions with the BOE, CAO and CLA. Updated status reports are being prepared for all active projects. Outstanding issues related to the transition are being identified and evaluated. The multi-departmental team is scheduled to return to the L.A. For Kids Steering Committee with additional information prior to January 18<sup>th</sup>, when the Steering Committee is scheduled to take action on a comprehensive recommendation to the City Council.

In anticipation of the full transfer of Proposition K projects to the BOE, the Department is seeking direction from the Board with regard to the following open issues.

### Form of Agreement

Currently, the Board of Commissioners exercises their duty to control park development through the Department's Planning and Construction Division, who head up all of the planning, design, construction and park acquisition efforts on behalf of the Board. When the Proposition K program is transferred from the Department to the BOE as lead program manager, a Memorandum of Understanding (MOU) must be developed to: a) clarify the roles of the respective Boards,

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Departments and Committees; and b) to ensure that RAP maintains an active participatory role in Proposition K funded park projects which have an impact on Department's ability to effectively program, maintain and support community development in the neighborhoods they serve.

The development of an MOU between the Department of Recreation and Parks and the Bureau of Engineering is consistent with actions taken by the Library and Zoo Departments in having BOE manage their bond funded programs, and with the previous RAP Board approval of an MOU with BOE for construction management of seven (7) selected Proposition K funded projects.

### Contracting Authority

The Department further recommends that the Board of Recreation and Park Commissioners maintain their role as the awarding and accepting authority for all Proposition K contracts. Currently, the Commission has acted on over 150 active professional services (architecture, landscape, mapping, survey, geotechnical, project management, etc.) and construction contracts in support of the Proposition K project efforts. These are anticipated to be utilized by the Bureau of Engineering as the work continues by the Department for Proposition A, CDBG and other projects. The Department has expanded their Contract administration team in anticipation of the need to continue this essential service to the Proposition K effort.

### Scope Adoption

In exercising their duties under the Charter, the Board approves project scope at release of bids, bid award and when changes to an individual project exceed \$5,000. The Board acts through the Department in developing project scope consistent with Board adopted 1994 Project Design and 1995 Landscape Design Standards. The City Attorney to the L.A. For Kids Steering Committee has advised that the Board of Recreation and Park Commissioners is the entity responsible for determining if a proposed project meets its Proposition K scope definition.

The Department recommends that the MOU with BOE require that the Board also review any project scope inconsistent and with 1994 Project Design and 1995 Landscape Design Standards prior to it moving forward into final design. This will ensure that the Board has an opportunity to exercise it's role in supporting the L.A. For Kids Steering Committee in defining project scope. This role is especially important when interpreting the intention of the specified Proposition K projects, as distinct from the competitive projects, which were approved by the L.A. For Kids Steering Committee and the City Council based on more explicit scope definitions.

By way of example, the Van Nuys Gymnasium is currently scheduled to receive a \$2,000,000 Proposition K allocation in the next two fiscal years. The Proposition obliges that the money be used to "construct a modern recreation center." The Department's Design Standards currently define a

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modern recreation center as a 12,000 sf facility with a full court size gymnasium, while the dollars available under the current Proposition K allocation are sufficient to construct an approximately 4,800 sf new facility, less than half the size of the Department standard. Attachment B is a copy of the Department's detailed report to the Steering Committee on this issue.

Centering on this example, the BOE architectural team is currently exploring options on the Van Nuys Recreation Center, such as remodeling to expand the currently undersized gymnasium, or constructing a freestanding recreation building beside the old building. The decision as to whether or not the proposed project meets the Proposition K definition of a "modern recreation center" will rest in a review by the Board of Recreation and Park Commissioners. Given that each project will need to be looked at on a case by case basis, we propose to develop a mechanism in the MOU by which the Board can accept the project design and scope prior to BOE moving ahead with full design development and construction documents.

### Right of First Refusal

In transferring the Proposition K projects to the BOE, the program will benefit from the pooled skills and resources of combined City Departments. It is recognized that the Department Recreation and Parks has the largest and most experienced team of landscape architect professionals in the City. As a result, we are recommending that the MOU include a provision by which the Department can exercise the right of first refusal for landscape design projects that would otherwise be contracted by the BOE to an outside professional services firm so that Department staff can continue with this design work on selected projects as workload and expertise permit.

### Change Order Authorities

On November 7, 2001, the Board adopted an MOU for Construction Management Services with the Bureau of Engineering. At that time, the Board delegated authority to the BOE on seven projects for change orders up to twenty-five thousand dollars (\$25,000). The Bureau of Engineering has requested change order authority up to the full value of the allotted construction contingency, an amount typically reserved at 10% of the contract award value. In an effort to balance BOE's request and the Board's duty to approve scope for all projects, the Department is recommending that the MOU expand the BOE's previously allotted change order authority to 25% of the allotted contingency, given that few change orders historically exceed these limits.

### Cost Overruns

Approximately 80% of all of the Proposition K are line item, specific funded projects, and have only very limited contingency allocation. Given this, the Department is recommending that the MOU address the issue of cost overruns and funding increases to projects. Currently, the Department can elect to address a scope/funding imbalance or cost growth issue by downscoping the work, seeking additional funding, undertaking selected work with our own forces or occasionally covering costs

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from an internal account. It is critical that the MOU with BOE address the timeliness, steps and responsibilities to be taken if there are insufficient funds to complete the project as planned.

### Costs to the Department

In transitioning the Projects to BOE, there will be additional costs for project administration. This results from:

- a) A larger BOE project team, which is expected to increase staff cost from 3% to 10% on every Prop K project, and an additional 5% contingency on building construction;
- b) Continuing RAP Prop K responsibilities, including the provision of a full time Prop K Department liaison to BOE, Board presentations, Contract Administration and VNOC management;
- c) RAP's remaining Proposition A and 12 funded projects, which are capped at 25% for administrative expenses in lieu of the necessary 30% to cover design, permit, survey staffing and other soft costs; and,
- d) Continuing RAP staffing expenses for the remaining 122 Quimby, State, City, Golf, Concession, and CDBG funded projects.

In addressing staffing costs associated with the loss of projects, the Department has taken two actions. First was to request \$865,284 in FY 02/03 General Fund support to regularize 10 positions now funded by grants programs. Second was to submit a request to the L.A. For Kids Steering Committee for additional funding to the Committee resulting from the administrative cap on the Proposition A projects (Attachment C). The Department's proposition 12 projects also have the same administrative cap.

Since Proposition K was approved by the voters, there has been no new administrative funding for this program provided to the Department through the General Fund (other than the provision of staffing for new or expanded facilities after project completion). The Department has absorbed the expenses of six (6) new Planning and Construction staff in order to meet the project management demands of the Proposition K program. The Department has completed 47 projects valued at \$35,000,000 over the past 5 years at a budgeted staffing cost of 3% per project, the lowest in the City.

When the Proposition K projects are completed, they must be staffed and maintained. The Department makes an annual General Fund Budget request for these increased costs. For FY 2001-02, the Department received \$1.3 million for staffing 29 facilities completed under the Proposition

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K program. For FY 2002-03, the Department submitted a request for \$8.5 million in anticipation of the completion of the 27 projects currently in construction and opening in FY 02/03.

Any acceleration of projects by the City as part of their economic stimulus program will result in acceleration of RAP general fund budget request to support programmatic and maintenance staffing of these facilities upon completion. Any delay to the receipt of General Funds to put the facility "on line" once completed can result in vandalism and maintenance problems.

### Ongoing Issues

It should be noted that while the transition of the Projects to BOE is expected to improve project delivery and administration through the application of greater resources, ongoing systemic issues within the Proposition K program will need to be addressed by the Steering Committee's multi-departmental task force. These include but are not limited to the following:

- 1) Insufficient line item funding to meet Departmental standards for some of the new projects;
- 2) Insufficient design durations for some of the building structure projects given funding timing allocations;
- 3) Parking variance costs and delays given the lack of a unique code definition for gymnasium space; and,
- 4) Advancing funds to the Department of General Services when they act as general contractor, as the Proposition K program is set up on a cost reimbursement basis.

### ATTACHMENTS:

Attachment A-1	Proposition K Program Overview
Attachment A-2	Overview of Prop K Projects
Attachment A-3	Proposition K Funding Schemes Examples
Attachment A-4	Confirming the Prop K Assessments (Council File 97-0031-S11)
Attachment B	Van Ness Recreation and Van Nuys Sherman Oaks Centers (Memo to LA For Kids Steering Committee - 12/6/01)
Attachment C	Cost Projections for Staffing to Support Prop K Project Transition and Future Prop A Funded Activities (Memo to LA For Kids Steering Committee - 12/19/01)

Prepared by Maureen Tamuri, Assistant General Manager.

REPORT OF GENERAL MANAGER

NO. 02-18

DATE January 9, 2002

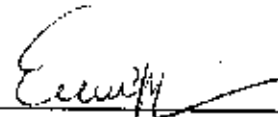
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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: DOWNEY RECREATION CENTER - CHILDCARE CENTER (#1633D) - APPROVAL OF TENDER AGREEMENT

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

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

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

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

It is recommended that the Board:

1. Rescind approval of the Takeover Agreement approved by the Board on March 7, 2001;
2. Approve execution of a Tender Agreement with Fidelity and Guaranty Insurance Company for the completion of the work at Downey Recreation Center - Childcare Center (#1633D) in substantially the same form as attached herewith;
3. Approve a completion contract with Hayward Construction Company in substantially the same form as the attached herewith;
4. Direct the Board Secretary to forward this report, the proposed Tender Agreement, and Completion Contract forthwith to the Mayor in accordance with Executive Directive 16 and concurrently to the City Attorney for review as to form; and,
5. Authorize the Board President and Secretary to execute the Tender Agreement and Completion Contract upon receipt of the necessary approvals.

SUMMARY:

On March 7, 2001, the Board approved a Takeover Agreement between the Department and Fidelity and Guaranty Insurance Company (Board Report No. 01-61). After several months of work to finalize the Takeover Agreement, staff has not been able to reach agreement with the Bonding Company. Fidelity and Guaranty Insurance Company believes that a Tender Agreement would best achieve the result that we are seeking, that is to complete construction of the project. Therefore, staff recommends that the Board rescind the approval of the Takeover Agreement and approve the execution of a Tender Agreement with Fidelity and Guaranty Insurance Company.

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The project is approximately 5% complete. On the original \$1,091,453.00 contract, the Department has paid \$120,843.82. The remaining funds are \$970,609.46. Fidelity and Guarantee Insurance Company has rebid the project with Hayward Construction Company submitting a low bid of \$1,386,460.00. Fidelity and Guarantee Insurance will pay the difference between \$1,386,460.00 and \$970,609.46 or \$415,850.54 plus stop notices and wage violations in the amount of \$186,889.19 for a total of \$602,739.73.

Report prepared by Richard Klink, Contract Administrator.

REPORT OF GENERAL MANAGER

NO. 02-19

DATE January 9, 2002

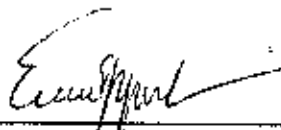
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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: Donation to Travel Town Museum

J. Combs \_\_\_\_\_  
\*A. Corrales \_\_\_\_\_  
J. Duggan \_\_\_\_\_  
H. Fujita \_\_\_\_\_

J. Kolb \_\_\_\_\_  
M. Tamuri \_\_\_\_\_  
M. Matthews \_\_\_\_\_



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

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board accept with thanks the donation of \$900 from Mr. and Mrs. Don Gustavson of GP Rah Enterprises, LLC., to the Travel Town Museum as described below.

SUMMARY:

Mr. and Mrs. Don Gustavson, GP Rah Enterprises, LLC, 17216 Saticoy Street #387, Van Nuys, California, 91406, have made a donation of \$250 in direct cash and \$650 in value of services to the Travel Town Museum. GP Rah Enterprises is the scale train ride concession operator at the Travel Town Museum and at the Griffith Park & Southern Railroad at the Los Feliz entrance to Griffith Park. Mr. and Mrs. Gustavson are regular annual givers to the Museum in support of its on-going rejuvenation under the Travel Town Master Plan. For 2001, they have added to their direct cash support the value (\$400 in labor and \$250 in scale track materials) of recent assistance in building a standard gauge railroad track crossing under the scale railroad, one of the most difficult challenges the Museum has faced in its plan to expand available track. GP Rah Enterprises is also a valuable concession partner as their dedication to service excellence and focus on our family visitors is an important part of Travel Town's popularity.

Prepared by: Linda Barth

REPORT OF GENERAL MANAGER

NO. 02-20

DATE January 9, 2002

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: Griffith/Metro Region Donations

B. Benjamins \_\_\_\_\_  
J. Combs \_\_\_\_\_  
\*A. Corrales \_\_\_\_\_  
J. Duggan \_\_\_\_\_

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

  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board accept the following donations and that appropriate recognition be given to the donors.

SUMMARY:

Echo Park Recreation Center

Pioneer Market donated two (2) 20 pound turkeys for the annual Turkey Shoot Event.

Ralph's Market donated a \$25.00 gift certificate to purchase two turkeys for the annual Turkey Shoot Event.

Hollenbeck Recreation Center

Grupo Dos En Uno donated \$100 for staff hours (general buy back).

Grupo Latino Americano donated \$112.50 for staff hours (general buy back).

Al-Anon donated \$60 for staff hours (general buy back).

Montecito Heights Recreation Center.

Transportes Gonzalez donated \$200 for the youth sports program.

Report prepared by Lilyan Ordonia