

DATE June 19, 2002

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS AND THE GENERAL SERVICES DEPARTMENT FOR THE CONSTRUCTION OF THE EAST WILMINGTON COMMUNITY CENTER (#1736D)

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

H. Fujita _____
*M. Tamura _____
J. Kolb JK

Margaret Matthews
Acting General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

It is recommended that the Board:

1. Approve a Memorandum of Understanding (MOU) between the Department of Recreation and Parks (RAP) and the General Services Department (GSD), to provide construction services at the East Wilmington Green Belt Community Center (#1736D); and,
2. Authorize the Director of Finance to transfer funds in the amount of \$2,221,000.00 from Fund 43L, Account R379, to GSD and encumber the FY 01-02 Sites and Facilities funds against the MOU as payment for construction services associated with the East Wilmington Green Belt Community Center (#1736D).

SUMMARY:

On June 13, 2001, the Board awarded a construction contract, in the amount of \$2,221,000.00 for the construction of a new community center on the green belt in East Wilmington (Board Report No. 01-218). The parking variance for the construction of the project was appealed before construction could begin on the project. The variance procedure is still underway. The construction contract was cancelled by the Board on January 23, 2002, (Board Report No. 02-21). Since the variance procedure is still underway the project has not been able to be rebid and the funds re-obligated. Given the time constraints imposed by Prop K, which requires that the funds be re-obligated by the end of this fiscal year, staff is unable to repackage the bid documents and re-bid the project since all appeal periods for the parking variance have not been exhausted at this time.

REPORT OF GENERAL MANAGER

PG. 2

NO. 02-249

The General Services Department has agreed to obligate their Department for the construction of \$2,221,000.00 in improvements at East Wilmington Green Belt Community Center. The two Departments have agreed to enter into a MOU regarding the construction of the project and the Bureau of Engineering will manage the project as part of the Prop K program. The copy of the unsigned MOU is attached for the Board to review.

Staff has determined that this project is exempt from the provisions of the California Environmental Quality Act (CEQA) per Article VII, Section 1, Class 1, (1, 3, 4,12) and 11 (7) of the City's CEQA Guidelines.

Prepared by Kathleen Chan, Prop K, Coordinator.

Attachment A

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 (MOU) for the East Wilmington Greenbelt Community Center located at 1102 Pioneer Avenue, Wilmington, 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. Manuel A. Mollinedo, General Manager
Department of Recreation and Parks
200 N. Main St., Room 1330
Los Angeles, CA 90012

- B. John Kirk Mukri, General Manager
Department of General Services
Room 701, City Hall South
Los Angeles, CA 90012

The project includes the construction of a new one story 5,171 square foot community center and gymnasium. The project schedule and estimate have not been finalized as of yet due to the uncertainty of an appeal on existing parking variance on the existing site. However, in order to obligate the remaining Proposition K funds, it has been determined that the GSD is the only viable contractor to prevent the loss of the allocated Proposition K funds. With the execution of this document, it will ensure the obligation of the Proposition K funds and give time for the Project Management team to work through the parking variance appeal process and obtain a construction estimate and schedule from the GSD. Furthermore, it is understood that construction shall not begin until all necessary funding is in place.

Currently, \$1,620,774.81 is available for this project from the Recreation and Parks Proposition K Fund No. 43L, Account No. R 379 and \$1,000,000.00 from the FY February 2003 Sites and Facilities Fund No. 209, Account No. S202 for a total of \$2,620,774.81.

DRP shall:

1. Provide funding to GSD for the construction of the new community center and gymnasium.
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 community center and gymnasium 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 a construction estimate and submit a complete breakdown of costs for the entire project. The breakdown shall itemize costs based on the trades indicated in the specifications and shall be mutually agreed upon by both parties.
7. Establish jointly with DRP work orders which break up the project into specific activities that will simplify auditing and control of project activities.

Prior to the commencement of construction, DRP shall provide an advance appropriation to GSD for the construction of the community center and gymnasium. The appropriation shall be based on agreed cash flow analysis of the project to allow GSD to continue work on the facility uninterrupted. DRP will work through the City Council, L.A. For Kids Steering Committee and Office of the CAO to advance these funds prior to start of construction.

For: THE DEPARTMENT OF RECREATION AND PARKS

MANUEL A. MOLINEDO, General Manager

Executed this _____ day of _____, 2001

For: THE DEPARTMENT OF GENERAL SERVICES

JOHN KIRK MUKRI, General Manager

Executed this _____ day of _____, 2001