

REPORT OF GENERAL MANAGER

NO. 04-43

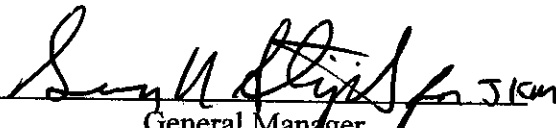
DATE February 18, 2004

C.D. 07

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GONZALES/PACOIMA RECREATION CENTER – BOXING FACILITY AND HVAC (#1810A) W.O. E170129F – CONTRACT NO. 3052 – RELEASE OF FUNDS IN ACCORDANCE WITH RESOLUTION OF CASE NO. BC281021

J. Combs _____	M. Mariscal _____
H. Fujita _____	*F. Mok _____
J. Kolb _____	K. Regan _____
*B. Lukehart <u>B.L.</u>	G. Stigite _____

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

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board approves the release of \$152,242.00 previously withheld against construction Contract No. 3052 with QCM Construction Inc., as described in the body of this report.

DISCUSSION:

On January 8, 2003 the Board withheld funds in the amount of \$152,242.00 against the construction contract with QCM Construction, Inc. (Board Report No. 03-17) for the construction of the Gonzales/Pacoima Boxing Facility. The funds were withheld in accordance with instructions relative to a pending lawsuit between principals of the construction firm. The legal dispute was resolved, the project continued with construction, and was completed and accepted by the Board on November 5, 2003 (Board Report No. 03-340).

This project is a Prop K project which was transferred to the Department of Public Works, Bureau of Engineering (BOE), for completion. During the transfer of the project, the Board Office and the Department of Public Works, Bureau of Accounting (BOA), which provides accounting services for BOE on these construction contracts, were notified that the funds could be released. A portion of the funds to be withheld were inadvertently released by BOA prior to any action by the Board. Of the \$152,242.00 that was to be withheld, \$18,867.59, in retention remains to be released. These funds may now be released as the construction of the project is complete. As there should have been a Board action to release the funds in January 2003, based on correspondence from the City Attorney,

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it is now appropriate for the Board to take an administrative action through this report approve the release of all the funds in order that BOA may now be authorized to release the remaining retention being held on the construction contract. A check in the amount of \$18,867.59 for this retention will be issued by BOA upon approval of this report.

Prepared by Kathleen Chan, Prop. K Coordinator.