

REPORT OF GENERAL MANAGER

NO. 04-53

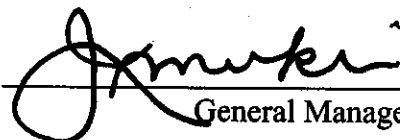
DATE February 18, 2004

C.D. 04

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: APPROVAL OF AN AGREEMENT WITH FRIENDS OF THE OBSERVATORY TO ACCEPT A GIFT OF FUNDS FOR ADDITIVE ALTERNATE #C FOR THE GRIFFITH OBSERVATORY RENOVATION AND EXPANSION PROJECT (#1504C)

J. Combs _____	M. Mariscal _____
H. Fujita _____	F. Mok <u>Fm</u>
J. Kolb _____	K. Regan _____
*B. Lukehart <u>he for BSN</u>	G. Stigile _____



 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

It is recommended that the Board:

1. Accept a gift of \$69,000 from the Friends Of The Observatory (FOTO) for the purposes of awarding Additive Alternate #C, as outlined in Contract No. 3068 with S.J. Amoroso Construction Co., Inc., to renovate and expand the Griffith Observatory Renovation and Expansion (Project #1504C), subject to the conditions in the attached Agreement to Accept Gift;
2. Approve the Agreement to Accept Gift and direct the Board Secretary to submit the proposed Agreement to the Mayor, in accordance with Executive Directive No. 16, and concurrently to the City Attorney for review as to form;
3. Upon receipt of necessary approvals, authorize the Board President and Secretary to execute the agreement; and
4. Direct that upon receipt, the gift funds be deposited in the Griffith Observatory Trust Fund, 46R, Revenue Source 4512.

SUMMARY:

On September 20, 2002, the Board awarded Contract No. 3068 to S.J. Amoroso Construction Co., Inc. to renovate and expand the Griffith Observatory which included a base bid and one Additive

REPORT OF GENERAL MANAGER

PG 2

NO. 04-53

Alternate (Board Report No. 02-339). Prior to the award and since construction has started, FOTO has been engaged in a fundraising campaign to supplement the costs of the project. To date, FOTO has gifted a total amount of \$4,000,000 to the City for the purposes of awarding various Additive Alternates as outlined in Board Report Nos. 03-120 and 03-201.

FOTO's recent fundraising campaign has yielded funds in the amount of \$69,000 for the purposes of awarding Additive Alternate #C. The scope of work includes improvements of the existing parking lot and roadways. Also included is the demolition of the existing snack bar and associated restrooms which will be replaced with new landscaping. FOTO is prepared to transfer these funds in the amount of \$69,000.00, which includes a contingency amount of \$9,000, to the City for the purposes of awarding Additive Alternate #C before the expiration of its bid price on April 4, 2004. The primary condition of this gift is that the funds shall be used solely for the purposes of awarding and constructing Additive Alternate #C.

Other conditions of the proposed Agreement to Accept Gift include: (1) reporting requirements by which FOTO can monitor the expenditure of the funds; (2) indemnification of FOTO in regards to the City's application of the gift funds to the project; and, (3) the right of FOTO to release information about the gift to the media. While the City may also release information about the gift, the City is obligated to notify FOTO seven days in advance of any City releases to the media about the gift. The Agreement provides that interest accrued on the gift will be first applied to contingency on Additive Alternate #C, if needed, or otherwise only to other expenses of the project.

The LA for Kids Steering Committee has reviewed and recommended approval by the Board, acceptance of the gift for the purposes of including Additive Alternate #C in the contract scope of work.

Upon execution of the gift agreement, the Board will be requested to give final approval to the addition of the Additive Alternate #C to the contract.

An ordinance establishing the Griffith Observatory Trust Fund was approved by the City Council on April 29, 2003 (C.F. No. 03-0817), and the funds provided by FOTO will be deposited for expenditure by the City Engineer (Public Works – Bureau of Engineering) who is managing the project and paying invoices on behalf of the City.

Report prepared by Sammy Wong, Project Manager.