

REPORT OF GENERAL MANAGER

NO. 04-184

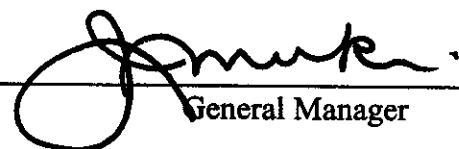
DATE June 4, 2004

C.D. 03

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: RESEDA RECREATION CENTER – BATHHOUSE RENOVATION W.O. E170250F – APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF GENERAL SERVICES, THE BUREAU OF ENGINEERING, AND THE DEPARTMENT OF RECREATION AND PARKS

* K. Chan	<u>kc</u>	J. Combs	_____
H. Fujita	_____	J. Kolb	_____
M. Mariscal	_____	F. Mok	_____
K. Regan	_____	G. Stigile	_____



 General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Authorize the General Manager to enter into a Memorandum of Understanding (MOU), substantially in the form attached, between the Department of Recreation and Parks (RAP), the Department of General Services (GSD), and the Bureau of Engineering (BOE), to provide construction services for the Reseda Recreation Center – Bathhouse Renovation Project, 18411 Victory Boulevard, Reseda, W.O. E170250F, subject to the approval of the City Attorney as to form; and,
2. Authorize the Department’s Chief Accounting Employee to request Council and Mayor approval to transfer \$765,360.00 in Prop K funds; Fund 43K, Account V431, allocated for completion of these improvements, to the appropriate material and salary accounts in GSD to provide funds for completion of the work.

SUMMARY:

On April 17, 2004, the Board approved final plans and call for bids for the Reseda Recreation Center – Bathhouse Renovation Project, W.O. E 170250F, located at 18411 Victory Boulevard, Reseda, (Board Report No. 04-99). The project consists of renovations to the existing Reseda Recreation Center Bathhouse, including, installation of new HVAC system for second floor, installation of new Electrical Service Panel, remodel of Existing Restrooms and Showers, add new ADA complaint Restrooms and Showers, add Lockers and Outdoor Dressing Areas, replace Existing Windows, and

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repaint Exterior and Interior Walls.

On May 18, 2004, one bid was received. The bid amount is \$622,000 (13% higher than the City estimate). The bidder failed to make the "good faith effort" to conduct MBE/WBE outreach as required by the bid and was therefore found to be non-responsive and disqualified. This is a Prop K Year 7 project which must have funds obligated prior to the end of the fiscal year. There is not sufficient time to rebid the project and meet the Contractor Responsibility Ordinance requirements. Therefore, the project was presented to the Prop K Steering Committee and they are recommending that the Board enter into an MOU with GSD and BOE to complete the construction of the project.

Currently, a total of \$765,360.00 is available for construction in Prop K Specified funds, (Fund 43K, Account No. V431). BOE and RAP staff will be working closely with GSD to ensure the cost of construction under the MOU will not exceed that amount. Actual construction start date and duration for the contract work will be mutually agreed to and included in the MOU prior to the actual start of construction and will not be altered unless all parties are in agreement and a written amendment (change order) to the MOU is signed.

This report was prepared by Kathleen Chan, Acting Superintendent and Alice Gong, Proposition K Group, Bureau of Engineering.

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF RECREATION AND PARKS,
THE BUREAU OF ENGINEERING
AND
THE DEPARTMENT OF GENERAL SERVICES

The Department of Recreation and Parks (DRP), Bureau of Engineering (BOE) and the Department of General Services (GSD) desire to enter into a Memorandum of Understanding for the Reseda Recreation Center and Bathhouse Renovation, 18411 Victory Boulevard, Reseda. 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 identified below agree to the following:

- A. Jon Kirk Mukri, General Manager
Department of Recreation and Parks (DRP)
200 N. Main St., Room 1330
Los Angeles, CA 90012

- B. Alvin Y. Blain, Interim General Manager
Department of General Services (GSD)
Room 701, City Hall South
Los Angeles, CA 90012

- C. Gary Lee Moore, P.E. City Engineer
Bureau of Engineering (BOE)
650 S. Spring, Suite 200
Los Angeles, CA 90014

Project Scope:

The project scope is the Reseda Recreation Center and Bathhouse Renovation which includes; installing a new HVAC system for second floor, installing a new electrical service panel, remodeling old bathrooms, adding new ADA compliant bathrooms, adding lockers and outdoor dressing areas, replacing existing windows and repainting exterior and interior.

At the time of signing this MOU, GSD cost estimates for the aforementioned scope had not been completed. Therefore, GSD will perform as much of the work as funding permits based upon the priorities established by BOE and DRP and as amended through the Steering Committee and DRP Commission.

Budget and Funding:

The amount of funding provided for this project is not based on the review of a permitted set of construction documents and specifications that form the basis for developing a Class A cost estimate. The agreed upon amount to be provided to GSD for construction related

shall include expenditures vs. budget review, schedule review and weekly meetings with GSD to review budget, design and construction issues.

5. Respond and approve all of GSD's Request(s) for Information in a timely manner.
6. Review and approve all mutually agreed upon Change Orders that fall within the budgeted 10% contingency amount.
7. Approve and process all GSD invoices for all authorized completed work.
8. Review and approve all material and service contracts for this project.

GSD shall:

1. Submit a complete breakdown of costs contained in the construction estimate for the entire project. The breakdown shall itemize costs based on the trades indicated in the specifications and shall be subject to mutual agreement of all parties.
2. Provide a construction schedule and submit monthly construction schedule updates for a joint review with BOE and DRP.
3. Establish jointly with BOE work orders which break up the project into specific activities that will simplify auditing and control of project activities.
4. Construct or cause to be constructed the renovations to the Reseda Recreation Center Bathhouse in accordance with the permitted construction documents as approved by DRP up to the available construction funding.
5. Obtain additional vendor estimates when requested by the BOE.
6. Submit all material and service contracts to BOE for approval **PRIOR** to issuing Purchase Order documents.
7. 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 and shall be paid from the 10% allocated contingency amount included within \$765,360 budget. All change orders covered within the budgeted 10% contingency require prior approval from BOE. Any change orders in excess of this amount require prior authorization from the Prop K - LA for Kids Steering Committee and DRP Commission.
8. Prepare weekly expenditure reports and monthly invoices for BOE review and approval. These reports shall be itemized by trade and vendor and reported against their respective budget. In addition, all work manufactured "in-house", also referred to as "shop work" shall be itemized and monitored against their respective budget.
9. Provide monthly project "cost to complete" estimates. These estimates shall be broken down by each trade and/or vendor and monitored against their respective budget.

Be responsible for all expenditures in excess of the approved budget unless previously amended through an action of the L.A. for Kids Steering Committee and DRP commission.

expenditures including 10% contingency shall not exceed \$765,360 without prior authorization from the Prop K - LA for Kids Steering Committee. Any costs incurred in excess of this amount without such prior written authorization shall not be eligible for reimbursement.

<u>Funding Sources</u>	<u>Budget</u>	<u>Fund/Dept./Acct. No.</u>	<u>Available balance</u>
Prop. K -YR 7	\$765,360.00	43K/10/ V431	\$850,000.00

Schedule

The construction duration is anticipated to be 360 calendar days with start of construction to begin on September 7, 2004.

Term

The term of the MOU shall be twenty-four (24) months and shall not be modified without a written agreement between the three (3) parties and approval by the Steering Committee and the Board of Recreation and Park Commissioners.

DRP shall:

1. Consider and approve the Construction documents and specifications before construction commences.
2. Provide GSD unrestricted access to the project site through mutually agreed upon working hours and working days.
3. Attend weekly on-site meetings to discuss construction related issues.
4. Respond to GSD's Request(s) for Information when owner review and approval is required. Such responses shall be forwarded to BOE for processing.
5. Review all applicable Shop Drawings and Submittals and approve within 7 working days when owner approval is required. Comments shall be forwarded to BOE for processing.
6. Notify BOE in writing of any owner requested changes to the construction documents and if such changes are outside the current scope of work, DRP shall provide adequate funding for such changes.

BOE shall:

1. Obtain approval of funding appropriation to GSD through actions by the L.A. for Kids Steering Committee and City Council prior to the start of construction.
2. Review and authorize GSD expenditures, submitted on a weekly basis, for labor, equipment and material costs incurred by GSD.
3. Provide a complete permitted set of construction documents and specifications as approved by DRP.
4. Provide overall Project Management and Construction Management activities that

IN WITNESS THEREOF, the Department of Recreation and Parks, the Department of General Services and Bureau of Engineering of the Department of Public Works have caused this MOU to be executed by their duly authorized representatives:

For: THE DEPARTMENT OF RECREATION AND PARKS

JON KIRK MUKRI, General Manager

Executed this _____ day of _____, 2004

For: THE BUREAU OF ENGINEERING

GARY LEE MOORE, City Engineer

Executed this _____ day of _____, 2004

For: THE DEPARTMENT OF GENERAL SERVICES

ALVIN BLAIN, Interim General Manager

Executed this _____ day of _____, 2004

For: OFFICE OF THE CITY ATTORNEY

Deputy City Attorney

Executed this _____ day of _____, 2004