

REPORT OF GENERAL MANAGER

NO. 04-76


DATE March 17, 2004

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ECHO PARK AREA CHILD CARE CENTER (#1607D) CONTRACT NO. 2964 - FINAL ACCEPTANCE

* 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Approved _____ Disapproved _____ Withdrawn _____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. Accept the work performed under the Takeover Agreement to Contract No. 2964 (Takeover Agreement) between the City and the American Motorists Insurance Company (AMIC) and Rine Development (Rine) as outlined in the body of this report;
2. Authorize the Department's Chief Accounting Employee to release all retention monies held under the Takeover Agreement to AMIC, 35 calendar days after acceptance by the Board of Recreation and Parks; and,
3. Authorize the Board Secretary to furnish AMIC with a letter of completion.

SUMMARY:

On June 14, 2000, the Board awarded a construction contract in the amount of \$1,024,000.00 to Rine for the construction of the Echo Park Area - Child Care Center (#1607D) project (Board Report No. 00-216). Rine's progress on the project proved unsatisfactory to the Department. It was decided that the construction contract be terminated and negotiations were conducted with AMIC, the contractor's surety, and the contractor to finalize a takeover agreement. On January 23, 2002, the Board, through Board Report No. 02-27, approved the execution of a Takeover Agreement with AMIC and the Rine.

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As part of the Takeover Agreement, the contractor voluntarily withdrew from doing further work on the project. Also, both the City and AMIC agreed that the new construction contract amount was \$1,093,748.59 and that the completion contractor would be the Walton Company.

Construction recommenced on February 18, 2002. The work involved the construction of a new 4,451 square foot child care center in the existing Echo Park.

The Bureau of Engineering, Construction Management Group, completed the contract administration of the project under the Proposition K Program. The Department has been advised that the project is complete and the contractor has furnished the required permits, drawings, operation and maintenance manuals, and guarantees.

The Department has been advised that the Construction Management Group has completed this project with 16 Change Orders issued in the amount of \$123,950.17. The total funds expended on this project are \$ 1,147,950.

Department staff has consulted with the Office of Contract Compliance (OCC) concerning the status of labor compliance and Affirmative Action requirements on this project. There are no outstanding wage violations and Walton Company is in compliance.

Prepared by Cid Macaraeg, Senior Management Analyst I.