

REPORT OF GENERAL MANAGER

NO. 04-339


DATE November 3, 2004

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ESCROW AGREEMENT FOR SECURITY DEPOSITS IN LIEU OF RETENTION  
- PECAN RECREATION CENTER - NEW GYMNASIUM BUILDING (#2802N)  
(W.O. #E170359F) - CONTRACT NO. 3115

* K. Chan	<u>ke</u>	J. Kolb	_____
J. Combs	_____	F. Mok	_____
H. Fujita	_____	G. Stigile	_____

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

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Approve the request of Morillo Construction, Inc., to enter into an Escrow Agreement, on file in the Board Office, with the City of Los Angeles for Security Deposits in Lieu of Retention for the Pecan Recreation Center - New Gymnasium Building (#2802N) (W.O. #E170359F) - Contract No. 3115; and,
2. Direct the Board Secretary to execute said Escrow Agreement upon approval as to form by the City Attorney.

SUMMARY:

The Department is in receipt of a request from Morillo Construction, Inc., general contractor for the Pecan Recreation Center - New Gymnasium Building (#2802N) (W.O.#E170359F) - Contract No. 3115, to enter into an Escrow Agreement for Security Deposits in Lieu of Retention.

Pursuant to Section 22300 of the Public Contract Code of the State of California, the Contractor has the option to deposit securities with an Escrow Agent as a substitute for retention earnings required to be withheld by the City as Owner, pursuant to the Construction Contract entered for the Pecan Recreation Center - New Gymnasium Building (#2802N) (W.O.#E170359F) - Contract No. 3115 in the amount of Two Million Five Hundred Seventy Eight Thousand One Hundred and No/100 Dollars (\$2,578,100.00) dated April 6, 2004.

Upon approval of the Escrow Agreement, the City shall make payments of the retention earnings

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directly to the Escrow Agent. Retention payments should be made payable to Wells Fargo Bank, N.A., Escrow Account No. A/C #16500400, and mailed to the attention of Ms. Regina M. Vergara, Trust Officer, Wells Fargo Bank, N.A., 707 Wilshire Blvd., 17<sup>th</sup> Floor, Los Angeles, CA 90017.

Prepared by Petrona Johnson