

APPROVED
JUN 07 2006

REPORT OF GENERAL MANAGER

NO. 06-142

DATE June 7, 2006

**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EAST WILMINGTON GREENBELT COMMUNITY CENTER (#1736D) (W.O. #E170365F) – AMENDMENT NO. 2 TO MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS, THE BUREAU OF ENGINEERING OF THE DEPARTMENT OF PUBLIC WORKS, AND THE DEPARTMENT OF GENERAL SERVICES FOR CONSTRUCTION OF THE NEW RECREATION CENTER

J. Combs	_____	H. Fujita	_____
*S. Huntley	_____	B. Jensen	_____
J. Kolb	_____	F. Mok	_____
K. Regan	_____	M. Shull	<u>MS</u>

Robert H. Jensen (for)
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the proposed Amendment No. 2 to the Memorandum of Understanding (MOU), substantially in the form on file in the Board Office, between the Department of Recreation and Parks (RAP), the Bureau of Engineering (BOE) of the Department of Public Works, and the Department of General Services (GSD), to include additional project funding sources in the amount of \$1,300,000 and a revised date of completion of June 30, 2006, for the construction of a new recreation center building at the East Wilmington Greenbelt Community Center (#1736D)(W.O. #E170365F), subject to approval of the City Attorney as to form;
2. In accordance with the proposed Amendment No. 2, upon its execution, direct Department staff to ensure that BOE secures the necessary Council approval to appropriate \$1,300,000 in construction funds to GSD, prior to the start of construction as follows:

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<u>Funding Sources</u>	<u>Fund/Dept./ Acct. No.</u>	<u>Available Balance</u>
Prop 12 2/3 Per Cap		\$83,893
Prop 40 1/3 RZH		\$279,630
Prop 40 1/3 Per Cap		\$328,424
Prop 12 RZH		<u>\$608,053</u>
Total		\$1,300,000

Through GSD Account Y140, to the appropriate GSD accounts in Fund 100, Dept. 40, listed below:

1101 – Construction Salaries Hiring Hall:	\$650,000
1121 – Hiring Hall Fringe Benefits:	\$130,000
3180 – Construction Materials and Supplies:	<u>\$520,000</u>
Total:	\$1,300,000

3. Direct staff, in accordance with the Council instructions included in CD 05-0600-S534, to ensure prompt repayment of \$1,300,000 to the Reserve Fund, used to cash flow the project from the fund accounts listed above,
3. Direct the Board Secretary to transmit Amendment No. 2 to the City Attorney for review and approval as to form; and,
4. Authorize the General Manager to execute Amendment No. 2, upon approval as to form by the City Attorney.

SUMMARY:

The East Wilmington Greenbelt Community Center project (#1736D) (W. O. #E170365F) will provide for a new 9,000 square foot community center with a full size gymnasium, parking lot and related park landscape development at 918 North Sanford Avenue, Los Angeles, CA 90744.

On February 18, 2004, the Board approved a Memorandum of Understanding (MOU) between the Department of Recreation and Parks (RAP), the Department of Public Works - Bureau of Engineering (BOE), and the Department of General Services (GSD), for the construction of the new community center for a construction cost of \$3,300,000 (Board Report No. 04-46). Due to unforeseen site conditions, economic changes and changes in scope, the MOU with the GSD needs to be amended for a revised project completion date of June 30, 2006 and increased construction budget in the amount of \$1,300,000 for a total project budget of \$4.6 million. The project is 95% complete. It was originally scheduled for completion in April, 2006.

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As reported to the Steering Committee, the project encountered several unforeseen site conditions that included contaminated soil conditions and unique coordination and construction requirements due to an existing fuel lines easement. In addition, the GSD also indicated that the project costs have increased due to increases in material costs as well as several items were outside of the original scope of work and were not part of their original cost estimate. The GSD requested an additional \$1,300,000 to complete the project. Subsequently, the City Council as part of the Second Financial Status Report approved an additional \$1,300,000 for the project in November, 2005 (Council File No. 05-0600-S34). The additional funds to be used on this project are State Bond funds, and as such, do not impact the General Fund (see table below).

Funding Sources	Award Amount	Fund/Dept./ Acct. No.	Original MOU Appropriation	Additional Appropriation
Prop. K	\$ 2,192,154	43K/10/P312	\$ 1,675,000	\$ -
Prop. 12 2/3 Per Cap	\$ 1,183,893	45W/22/T421	\$ 825,000	\$ 83,893
Sites & Facilities	\$ 1,000,000	209/88/S202	\$ 800,000	\$ -
Prop 40 1/3 RZH	\$ 279,630	TBD	\$ -	\$ 279,630
Prop 40 1/3 Per Cap	\$ 328,424	TBD	\$ -	\$ 328,424
Prop 12 RZH	\$ 608,053	TBD	\$ -	\$ 608,053
Total	\$ 5,592,154		\$ 3,300,000	\$ 1,300,000

Staff recommends approval of the proposed MOU Amendment. Council District 15 concurs with the recommendation.

The California Environmental Quality Act (CEQA) document (IS/MND) for the project was approved by Council on February 6, 2004, and the subsequent Notice of Determination filed with the County on February 11, 2004.

FISCAL IMPACT STATEMENT:

Additional funds being requested are State Bond funds and are anticipated to be received in June 2006. This project does not impact the City's General Fund. Future operations and maintenance costs have yet to be determined.

Prepared by Ray Araujo, Project Manager, and reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program; and reviewed by Bradley M. Smith, P.E., and Bureau of Engineering.