

APPROVED
JUN 07 2006

REPORT OF GENERAL MANAGER

NO. 06-144

DATE June 7, 2006

BOARD OF RECREATION
and PARK COMMISSIONERS

C.D. 11

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: CRESTWOOD HILLS PARK – FACILITY ENHANCEMENTS (W.O. #E170322F)
– ALLOCATION OF QUIMBY FEES TO THE PROJECT AND APPROVAL OF A
MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF
RECREATION AND PARKS, THE BUREAU OF ENGINEERING, AND THE
DEPARTMENT OF GENERAL SERVICES

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

Robert H. Jensen (R)
General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board:

1. Authorize the Chief Accounting Employee to transfer \$6,778 in Quimby fees, which were collected in 2003-2004 Fiscal Year, from Account No. 460K-00 to the Crestwood Hills Park Account No. 460K-CA;
2. Approve the allocation of \$194,019 in Quimby fees to the Crestwood Hills Park Account No. 460K-CA for the Crestwood Hills Park – Facility Enhancements project (W.O. #E170322F);
3. Approve a 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), and the Department of General Services (GSD) to provide construction services for the Crestwood Hills Park – Facility Enhancements project (W.O. #E170322F), subject to the approval of the City Attorney as to form;
4. In accordance with the proposed MOU, upon its execution, direct Department staff to ensure that BOE secures the necessary Council approval to appropriate \$431,562 in construction funds to GSD, prior to the start of construction as follows:

REPORT OF GENERAL MANAGER

PG. 2

NO. 06-144

From:

| <u>Funding Source</u> | <u>Fund/Dept/Acct No.</u> | | <u>Avail. Balance</u> |
|---------------------------|---------------------------|----|-----------------------|
| Prop. K-YR 9 – 05/06 | 43K/10/Y576 | \$ | 197,926 |
| Site & Facilities – 05/06 | 209/88/Y239 | \$ | 201,649 |
| Quimby | 302/89/460K-CA | \$ | <u>31,987</u> |
| Total | | \$ | 431,562 |

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

| | |
|---|------------------|
| 1101 – Construction Salaries Hiring Hall (50%): | \$215,781 |
| 1121 – Hiring Hall Fringe Benefits (10%): | \$ 43,156 |
| 3180 – Construction Materials and Supplies (40%): | <u>\$172,625</u> |
| Total: | \$431,562 |

5. Direct the Board Secretary to transmit the MOU to the City Attorney for review and approval as to form; and
6. Authorize the Department's General Manager, or designee, to execute the proposed MOU, subject to approval as to form by the City Attorney.

SUMMARY:

The Crestwood Hills Park Facility Enhancement project located at 1000 Hanley Avenue, Los Angeles, CA 90049 is complete in design and is ready for construction. The project was specified in the Proposition K Ballot Measure to serve youth by enhancing the facility. The project scope consists of construction of new and expanded restrooms to comply with ADA requirements; renovation and reconstruction of the office; replacement of an existing, inoperable, sliding wall with a new solid wall for children's handball and basketball activities; addition of approximately 100 square feet of new lobby area; and replacement of non-structural walls with additional windows to provide improved natural lighting. In addition, the striping of the outdoor children's game courts and the possibility of providing a handicap access ramp are included in the scope of work.

The project currently has a funding shortfall. The estimated total project cost is \$595,668 with construction costs of \$431,562. The total funding balance available for the project is \$399,575. Therefore, the project needs additional funding in the amount of \$196,093 to cover the anticipated total cost of \$595,668. There is currently a balance of \$187,241 in Quimby Fees available in the Crestwood Hills Park Account 460K-CA, and an additional \$6,778 in Quimby Fees, which were collected in the 2003-2004 Fiscal Year, in Quimby Account 460K-00, for a total of \$194,019. It is

REPORT OF GENERAL MANAGER

PG. 3

NO. 06-144

recommended that these funds be transferred to the Crestwood Hills Park Account 460K-CA for the Facility Enhancements (W.O. #E170322) project, upon the approval of this report. These Quimby Fees were collected within two miles of Crestwood Hills Park, which is the standard distance for the allocation of Quimby Fees for community parks. With approval of the additional Quimby funds, the project will be fully funded. The shortfall will be made up through Prop K inflation funds.

The Crestwood Hills Park – Facility Enhancements Project is a Proposition K Year 9 project that requires Proposition K funds be obligated prior to the end of this fiscal (FY 05/06) year. Proposition K is a Los Angeles City approved proposition which assesses owners of residential property a total of \$25,000,000 per year for 30 years to be spent on park and related improvement projects. One significant condition of this funding requires that money for project construction identified in a particular fiscal year must be encumbered, by way of an executed contract, prior to the end of the fiscal year. The program is in Year 9 (FY 05/06) and the deadline for this fiscal year is June 30, 2006. If this year's Proposition K funds are not encumbered by June 30, 2006, they will no longer be available for any purpose and the overall funding of Prop K (\$750,000,000) will be reduced by a corresponding amount.

Staff believes awarding this project to GSD in lieu of conducting a competitive construction bid process is the best option in order to award this project in a timely fashion, as there is not sufficient time to publicly bid this project and award it by June 30, 2006.

In addition to timeliness, GSD has had experience in successfully completing Recreation and Parks projects similar to this one, namely those that have high possibility of discovering unforeseen conditions during construction. By using GSD, the City only pays for direct costs of dealing with the unforeseen conditions, without the contractors' mark-ups, and time delay costs. Therefore, staff requests that the General Manager of Recreation and Parks should be authorized to enter into an MOU for construction of the facility as authorized by Los Angeles Administrative Code Section 22.535(a)(5).

Under the MOU with GSD, GSD would construct as much of the scope as the construction funding, \$431,562 (assuming the Quimby funds are approved), which includes a 15% construction contingency, would permit. Their scope of work would be based upon the priorities, within the available budget, established by the BOE Recreation and Cultural Facilities Program, and the Department of Recreation and Parks staff.

Assuming approval of the Quimby funds, sufficient funds for construction are available for the proposed improvements within the Proposition K, Sites and Facilities, and Quimby funds.

In compliance with the California Environmental Quality Act (CEQA), staff has determined that the proposed improvements will not have a significant impact on the environment. This project has been determined to be Categorical Exempt pursuant to Article III, Section 1a, Class 1(4, 5), and Section

REPORT OF GENERAL MANAGER

PG. 4

NO. 06-144

1k, Class 11(7) of the City CEQA Guidelines. A Notice of Exemption was filed with the Los Angeles City Clerk's office on June 19, 2000 and the County Clerk's office on June 20, 2000.

Council District 11 and West Region staff support the recommendations as set forth in this report.

FISCAL IMPACT STATEMENT:

There is no fiscal impact to the Department's budget at this time. The assessments of the future operations and maintenance cost have yet to be determined.

Prepared by Willis Yip and reviewed by Neil L. Drucker, Program Manager, Bureau of Engineering, Recreational and Cultural Facilities Program and reviewed by Bradley M. Smith, P.E., Chief Deputy City Engineer, Bureau of Engineering.