

REPORT OF GENERAL MANAGER

NO. 05-144

DATE June 1, 2005

C.D. 1

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LINCOLN HEIGHTS YOUTH CENTER (W.O. E170232F), LINCOLN HEIGHTS JUNIOR ARTS CENTER (W.O. E170231F), NORTHEAST ROLLER HOCKEY RINK (W.O. E170235F) & LINCOLN HEIGHTS BOXING GYMNASIUM (W.O. E170226F) – APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS, THE BUREAU OF ENGINEERING, AND THE DEPARTMENT OF GENERAL SERVICES AND AUTHORIZATION TO USE AVAILABLE PROPOSITION K FUNDS FOR RELOCATION ASSISTANCE

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

Robert H. Jensen (son)
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Approved Disapproved Withdrawn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 as Attached, between the Department of Recreation and Parks (RAP), the Cultural Affairs Department (CAD), the Bureau of Engineering (BOE), and the Department of General Services (GSD) to provide construction services for the Lincoln Heights Youth Center (W.O. E170232F), Lincoln Heights Junior Arts Center (W.O. E170231F), Northeast Roller Hockey Rink (W.O. E170235F) and Lincoln Heights Boxing Gymnasium (W.O. E170226F) referred to herein as the Lincoln Heights Youth Center Project, subject to the approval of the City Attorney as to form;

2. In accordance to the MOU indicated above appropriate staff will request Council and Mayor approval through LA for Kids Steering Committee to appropriate \$600,000.00 in Proposition K, Year 9 funds following Council and Mayor adoption and approval of the Proposition K, Year 9 project list and funding which is allocated for completion of these improvements, to the appropriate material and salary accounts in GSD to provide funds for completion of the initial phase of work identified in the body of this report and the MOU; and,

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3. Authorize the Bureau of Engineering staff to process demands amounting up to \$100,000.00 from the previously approved Proposition K Project Funds available in appropriation fund 43K, Account V464. The Department of Public Works (Accounting), to pay legally obligated tenant relocation assistance and moving expenses, and other related acquisition expenses relevant to the acquisition of the property located at 2500 Griffin Avenue as indicated in the Summary section in the November 19, 2003 Board Report No. 03-366.

SUMMARY:

On November 19, 2003, the Board of Recreation and Park Commissioners approved Board Report No. 03-366 which approved the acquisition of the property at 2500 Griffin Avenue, Los Angeles, CA 90031, for the development of a youth-oriented recreation center. The acquisition of this property was funded through acquisition funds available in the Northeast Roller Hockey Rink Proposition K specified line item. The property consists of a 17,746 square feet, two story, former church and school building. The Lincoln Heights Youth Complex Project is planned to include four specified Proposition K projects as listed below:

1. Lincoln Heights Youth Center
2. Lincoln Heights Junior Arts Center
3. Northeast Roller Hockey Rink
4. Lincoln Heights Boxing Gymnasium

The project is currently in pre-design, but the acquired facility is in need of immediate attention. The roof currently leaks which has caused sagging floors, falling ceiling tiles, and in general an unsafe environment in some areas of the facility. In order to help expedite the overall project and take care of immediate repair issues, staff is recommending that rehabilitation of this facility begin through the assistance of the GSD.

Over the course of design, which is expected to take at least a year, having GSD working at the site offers the side benefit of helping to deter vandalism and jump-start the rehabilitation of the facility.

The scope of this initial phase consists of replacing the roof membrane, gutters and downspouts, exterior lead paint abatement, repainting the exterior of the facility, graffiti coating, exterior window and door refurbishment, new masonry property line wall, and general landscape clean-up. GSD has submitted an estimate in the amount of \$600,000.00 to complete this work and can begin immediately upon approval of funding. Funding will be available until Yr 9 project list is approved.

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Currently, a total of \$600,00.00 in funding is available in Prop K from Yr 6 to Yr 9 Specified Funds as listed below:

<u>Project</u>	<u>Funding Source</u>	<u>Allocation</u>	<u>Fund/Dept/Acct</u>	<u>Avail Balance</u>
Lincoln Heights Youth Center	Prop K - Yr 8	\$ 92,644.00	43K/10/W562	\$ 84,644.00
	<u>Prop K - Yr 9</u>	\$ 450,000.00	TBD	<u>\$ 74,888.00*</u>
Sub Total				\$ 159,532.00
Lincoln Heights Junior Arts Center	Prop K - Yr 8	\$ 100,000.00	43K/10/W561	\$ 92,000.00
Sub Total				\$ 92,000.00
Northeast Roller Hockey Rink	Prop K - Yr 6	\$ 125,000.00	43K/10/T464	\$ 58,344.00
	<u>Prop K - Yr 7</u>	\$ 1,500,000.00	43K/10/V464	<u>\$ 244,480.00 **</u>
Sub Total				\$ 302,824.00
Lincoln Heights Boxing Gymnasium	Prop K - Yr 8	\$ 192,644.00	43K/10/W544	\$ 145,644.00
Total				\$ 700,000.00
			For relocation	<u><\$100,000.00></u>
				<u>\$ 600,000.00</u>

* Future funding conditional upon City Council's approval of the Engineer's Report for Prop K and appropriation for Year 9 Prop K funds approval anticipated in June 2005.

** \$100,000 for relocation the balance will be \$144,480.00

The Board action of November 19, 2003 authorized the Department to use Proposition K Bond funds approved by the Steering Committee under the Proposition K Five Year Plan for the Specified Project for the payment of acquisition expenses including escrow fees and title insurance fees and relocation assistance. To date, said expenses have been paid through the specified Proposition K funds. At the time of the acquisition, the Council Office, and Department of Recreation and Parks agreed to allow the exiting tenant, The Foundation for Early Childhood Education (Foundation) to remain on said property and continue to operate their Head Start program. The Foundation was on

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an existing one year rental agreement for the period of August 1, 2003-June 30, 2004. On March 26, 2004 the Foundation requested an extension of one year. The Department and the Council Office agreed to issue Right of Entry Permit No. 550 for an additional amount of time effective August 1, 2004 through May 31, 2005. Subsequent to this, Department staff with Council Office concurrence agreed to allow the Foundation to stay an additional two weeks until June 17, 2005 to allow them to finish the term of the remaining classes. The decision to allow the Foundation to stay was based on the desire to keep the facility occupied until the proposed project development/construction could be started and at the same time avoid possible vandalism problems by keeping the facility occupied. Remaining acquisition expenditures for this project include relocation assistance and moving expenses not to exceed \$100,000.00 for the tenant at 2500 N. Griffin Avenue. It should be noted that this amount may increase or decrease, depending on further determination by the Department of General Services, Asset Management Division.

The remaining Proposition K Bond funds, currently available in appropriation Fund 43K, Account V464, are specified to be used for acquisition related expenditures. Therefore, it is requested that the Board at this time, authorize the Department to access up to \$100,000.00 in Proposition K bond funds, currently in appropriation Fund 43K, Account V464, for the payment of all remaining acquisition related expense, including but not limited to tenant relocation and moving expenses.

In compliance with the California Environmental Quality Act (CEQA), an initial study/Mitigated Negative Declaration (IS/MND) and associated Mitigation Monitoring Plan (MMP) were prepared by the Bureau of Engineering for all four projects. The Board reviewed and considered these documents at the November 19, 2003 Board meeting (Board Report No. 03-366). A Notice of Determination was filed with the Los Angeles City Clerk's office on December 4, 2003, and posted by the County Clerk's office on December 5, 2003.

FISCAL IMPACT STATEMENT:

There is no anticipated fiscal impact to the Department's budget for either the MOU or tenant relocation costs at this time as these costs are included in the related project budgets. Will spend up to \$100,000.00, dependent on the relocation cost negotiated by staff from the previously approved Proposition K Project Funds available in appropriation fund 43K, Account V464 .

This report was prepared by Mike Shull and reviewed by Neil L Drucker, Program Manger, Bureau of Engineering, Recreational and Cultural Facilities Program and reviewed by Bradley M Smith, P.E., Chief Deputy City Engineer, Bureau of Engineering with assistance from John Barraza, Management Analyst II, Real Estate and Asset Management, Planning and Development Division.

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE DEPARTMENT OF RECREATION AND PARKS

**THE BUREAU OF ENGINEERING OF THE
DEPARTMENT OF PUBLIC WORKS
OF THE CITY OF LOS ANGELES**

AND

THE DEPARTMENT OF GENERAL SERVICES

**FOR THE CONSTRUCTION
OF THE
LINCOLN HEIGHTS YOUTH CENTER PROJECT**

**2500 N. Griffin Avenue
Los Angeles, California**

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MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is made and entered into by and between the Department of Recreation and Parks, hereinafter referred to as RAP, Construction Forces of the Department of General Services, hereinafter referred to as GSD, Department of Cultural Affairs, hereinafter referred to as CAD, and the Bureau of Engineering of the Department of Public Works, hereinafter referred to as the BOE.

W I T N E S S E I H

WHEREAS, on November 5, 1996, the voters of Los Angeles approved Proposition K: The Los Angeles for Kids Program, which included improvements for a youth center, junior arts center, roller hockey rink and a boxing gymnasium referred to herein as the Lincoln Heights Youth Center; and

WHEREAS, condition of the building acquired for the youth center, located at 2500 N. Griffin Avenue, Los Angeles, CA 90031, have created an emergency to fast track some of the rehabilitation and repair work that will be necessary to construct the project; and

WHEREAS, using the rehabilitation and construction services of GSD, to perform this phase of the project, consisting of replacement of the roof membrane, gutters, and downspouts, exterior lead paint abatement, repainting the exterior of the facility, graffiti coating, exterior windows and doors refurbishment, new masonry property line wall and landscape cleanup is in the best interest of the City as unforeseen conditions associated with the rehabilitation of an existing structure is too difficult to bid and will be more costly with a private contractor; and

WHEREAS, the GSD has successfully completed numerous rehabilitation/addition/new construction projects; and

WHEREAS, the BOE will provide construction management services for the GSD in the rehabilitation and construction of the Lincoln Heights Youth Center Project; and

WHEREAS, the RAP, the CAD, the BOE, and the GSD wish to memorialize their understanding in an MOU regarding the terms and conditions of the services to be provided.

NOW, THEREFORE, the RAP, the CAD, the BOE, and the GSD agree to enter into and abide by the terms and conditions of this MOU.

ARTICLE I - THE MOU

A. PURPOSE OF THE MOU

To establish the responsibility of the GSD to provide construction services for the Lincoln Heights Youth Center Project located at 2500 Griffin Ave, Los Angeles, CA which will include the Lincoln Heights Youth Center, Lincoln Heights Junior Arts Center, Northeast Roller Hockey Rink and Lincoln Heights Boxing Gymnasium.

To establish the responsibility of BOE to provide construction management services and coordination of the work with the GSD and the RAP and CAD.

To memorialize how the BOE will pay the GSD for construction services during the initial phase of the Lincoln Heights Youth Arts Center Project.

To establish the Scope of the initial phase of work to be replacing the roof membrane, gutters and downspouts, exterior lead paint abatement, repainting the exterior of the facility, graffiti coating, exterior window and door refurbishment, new masonry property line wall and general landscape clean-up.

B. TERM OF THE MOU

This MOU will commence upon execution by the authorized representatives of the RAP, BOE, CAD and the GSD, and will expire twenty-four (24) months thereafter unless extended by amendment.

C. REPRESENTATIVE OF THE PARTIES OF THIS MOU

The representatives of the respective parties are authorized to administer this MOU and to whom formal notices, demands, requests and communications shall be given are as follows:

1. For the RAP:

Jon Kirk Mukri, General Manager
Department of Recreation and Parks

Attn: Susan Huntley, Chief Management Analyst
Planning and Development
1200 W. 7th Street, Suite 700
Los Angeles, CA 90017

2. For the BOE:

Gary Lee Moore, P.E., City Engineer
Bureau of Engineering
Department of Public Works

Attn.: Neil Drucker, Recreational and Cultural Facilities Program Manager
250 E. 1st Street, 10th Floor
Los Angeles, CA 90012

3. For the CAD:

Margie J. Reese, General Manager

Attn: Ernest Dillihay, Performance Arts & Facilities Director
433 South Spring Street, 10th Floor
Los Angeles, CA 90013

4. For the GSD:

Alvin Y. Blain, General Manager
Department of General Services

Attn.: Thomas Bylard, Director of Construction
555 Ramirez Street, Space 150
Los Angeles, CA 90012

ARTICLE II – SERVICES TO BE PERFORMED BY THE RAP

- A. Consider and approve the Construction documents and specifications before construction commences.
- B. Provide GSD unrestricted access to the project site through mutually agreed upon working hours and working days.
- C. Respond to GSD's Request(s) for Information when owner review and approval is required. Such responses shall be forwarded to BOE for processing.
- D. Review all applicable Shop Drawings and Submittals and approve within seven (7) working days when owner approval is required. Comments shall be forwarded to BOE for processing.
- E. Notify BOE in writing of any owner requested changes to the construction documents and if such changes are outside the current scope of work, RAP shall provide adequate funding for such changes.

ARTICLE III – SERVICES TO BE PERFORMED BY THE BOE

- A. Obtain full construction budget appropriation to GSD through actions by the L.A. for Kids Steering Committee and City Council prior to the start of construction.
- B. Review and authorize GSD expenditures, submitted on a quarterly basis, for labor, equipment and material costs incurred by GSD.
- C. Provide a complete permitted set of construction documents and specifications as approved by RAP.
- D. Provide overall Project Management and Construction Management activities, which shall include expenditures vs. budget review, schedule review and weekly meetings with GSD to review budget, design and construction issues.
- E. Respond and approve all of GSD's Request(s) for Information in a timely manner.
- F. Review and approve all mutually agreed upon Change Orders that fall within the budgeted 15% contingency amount.
- G. Approve and process all GSD invoices for all authorized completed work.
- H. Review and approve all submittals and service contracts forwarded by the GSD, including shop drawings and product data and samples, for this project in a timely manner.
- I. Advise the RAP of any changes that may change the intended function or overall design characteristics of the project.
- J. Participate and prepare the final acceptance inspections of the project in conjunction with the RAP. Once all noted items have been corrected, transmit final status report to the RAP.
- K. After the end of construction, the BOE shall review in consultation with RAP and approve the "Operational and Maintenance" manuals provided by the GSD prior to forwarding the information to the RAP.

ARTICLE IV – SERVICES TO BE PERFORMED BY THE GSD

- A. Upon receipt of final plans from the BOE, the GSD shall conduct a Class "A" estimate to determine final costs of the project. If necessary, adjustments shall be made to the construction costs per Article VII.A.2.

- B. The GSD shall perform all required work to improve the site per the final Construction Documents and Specifications in compliance with applicable Federal, State and City codes and regulations. For this project, GSD will only be performing the following work: replacing the roof membrane, gutters and downspouts, exterior lead paint abatement, repainting the exterior of the facility, graffiti coating, exterior window and door refurbishment, new masonry property line wall and general landscape clean-up.
- C. The GSD shall coordinate with the BOE to establish a construction schedule. The schedule shall be subject to the approval of the BOE.
- D. The GSD shall immediately notify the BOE in writing of issues or barriers that impede or delay the completion of the work, including changes to cost estimates and to the construction schedule.
- E. The GSD shall immediately notify the BOE of the need for modifications by way of a change order. All change orders are subject to the approval of the BOE.
- F. The GSD shall provide a monthly report, to the BOE within fourteen (14) days of the end of each month, covering all expenditures on the project during construction. The report shall include all costs for labor, equipment and materials incurred through that period.

ARTICLE V – RECORD DRAWINGS

- A. After completion of construction, the GSD shall revise and correct the final Construction Documents indicating all changes made during construction based on the construction records including, but not limited to, change orders, plan clarification/corrections and addenda. Each drawing sheet shall be prominently marked "AS-BUILT". These drawings shall be reviewed and approved by the BOE.
- B. When the "AS-BUILT" drawings are approved, GSD shall deliver two (2) copies of the Record Drawings to the BOE to be forwarded to the RAP for its use.
- C. In addition to the Record Drawings above, BOE will deliver to the RAP, one (1) updated electronic file and one (1) updated set of Mylar drawings or as required per the designer's contract.

ARTICLE VI – TIME PERIODS

- A. It is understood and agreed in this MOU that time is of the essence. The construction phases will be completed within 240 calendar days after receipt, by the GSD of a notice to proceed from the BOE.

- B. The time during which the GSD is delayed in its work by the BOE or any other agency whose approval is required, shall be added to the time period for completion. Delays due to unforeseen circumstances, which are not the fault or negligence of the GSD, shall also be added to the time period for completion.

ARTICLE VII – PAYMENT

A. COMPENSATION

1. Upon approval of the City Council and the Mayor, the BOE shall authorize the expenditure of an amount not to exceed six hundred thousand Dollars (\$600,000.00) for the complete and satisfactory performance of the terms of this MOU. These funds are available in the following accounts:

<u>Project</u>	<u>Funding Source</u>	<u>Appropriation</u>	<u>Fund/Dept/Acct</u>	<u>Avail Balance</u>
Lincoln Heights Youth Center	Prop K - Yr 8	\$ 92,644.00	43K/10/W562	\$ 84,644.00
	Prop K - Yr 9	\$ _____ T		\$ 74,888.00*
Sub Total		\$		\$ 159,532.00
Lincoln Heights Junior Arts Center	Prop K - Yr 8	\$ 100,000.00	43K/10/W561	\$ 92,000.00
Sub Total				\$ 92,000.00
Northeast Roller Hockey Rink	Prop K - Yr 6	\$ 125,000.00	43K/10/T464	\$ 58,344.00
	Prop K - Yr 7	\$ 1,500,000.00	43K/10/V464	\$ 244,480.00**
Sub Total				\$ 302,824.00
Lincoln Heights Boxing Gymnasium	Prop K - Yr 8	\$ 192,644.00	43K/10/W544	\$ 145,644.00
Total		\$ 7,000,000.00		\$ 700,000.00
			For relocation	< \$100,000.00>
				\$ 600,000.00

* Future funding conditional upon City Council's approval of the Engineer's Report for Proposition K and appropriation for Year 9 Proposition K funds approval anticipated in June 2005.

**\$100,000.00 for relocation the balance will be \$144,480.00

2. The construction cost will be adjusted as necessary after the completion of the Class "A" estimate. The BOE shall approve the cost adjustment after authorization from the Prop K – LA for Kids Steering Committee. An Amendment to the MOU shall be made to reflect the new cost and processed for approval through the RAP Commission.
3. The GSD shall 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 the RAP Commission.

B. METHOD AND TIME OF PAYMENT

1. Upon execution of this MOU, the BOE shall coordinate with the appropriate City Departments to arrange the appropriation of \$600,000.00 into GSD salary and material accounts for construction services.
2. Scheduled payment reimbursements for the GSD's services shall be made, on a quarterly basis. GSD shall provide a quarterly report detailing the expenses incurred for that quarter. The amount of the quarterly payment will be based on the number of staff hours and purchase orders directly chargeable to the project supported by timesheet records and the current hourly rate and verification of the purchase orders and if requested, the GSD shall provide copies to the BOE.

ARTICLE VIII – MODIFICATIONS

- A. Except as otherwise provided herein, this MOU may be altered, modified or amended only in writing, and executed by the parties hereto.
- B. Modifications or extra work requested during the construction phase shall be documented by a Change Order. The Change Order shall contain a description of the scope change or extra work, any additional costs approved by the BOE and any time extensions approved by BOE. Change Orders exceeding \$25,000.00 shall require approval by the RAP Commission prior to commencement of the work.
- C. This MOU contains the full and complete agreement between the RAP, CAD, BOE and the GSD. No verbal agreement or conversation with any officer or employee of the parties shall affect or modify any of the terms and conditions of the MOU.

IN WITNESS WHEREOF, the RAP, the CAD, the BOE, and the GSD have caused this MOU to be executed by their duly authorized representatives.

For: Department of Recreation and Parks

Jon Kirk Mukri, General Manager

Executed this _____ day of _____, 2005

For: Bureau of Engineering, Department of Public Works

Gary Lee Moore, P.E., City Engineer

Executed this _____ day of _____, 2005

For: Department of Cultural Affairs

Margie J. Reese, General Manager

Executed this _____ day of _____, 2005

For: Department of General Services

Alvin Y. Blain, General Manager

Executed this _____ day of _____, 2005

For: Board of Public Works

Valerie Lynne Shaw, President
Board of Public Works

Executed this _____ day of _____, 2005

For: Office of the City Attorney

Assistant/Deputy City Attorney

Executed this _____ day of _____, 2005