

REPORT OF GENERAL MANAGER

NO. 05-239

DATE September 21, 2005

C.D. 2

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SHERMAN OAKS CASTLE - AMENDMENT TO MEMORANDUM OF UNDERSTANDING BETWEEN RECREATION AND PARKS AND GENERAL SERVICES DEPARTMENT TO INCREASE FUNDING FOR EXPANSION OF RESTROOMS AND ADA IMPROVEMENTS PROJECT

J. Combs \_\_\_\_\_ H. Fujita \_\_\_\_\_  
K. Regan \_\_\_\_\_ J. Kolb \_\_\_\_\_  
F. Mok am M. Shull \_\_\_\_\_  
B. Jensen \_\_\_\_\_ S. Huntley \_\_\_\_\_

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

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Approve an amendment to an Memorandum of Understanding (MOU) between the Department of Recreation and Parks and the General Services Department for construction services to expand the existing restrooms at the Sherman Oaks Castle and to construct a disabled-accessible ramp to the miniature golf playing area, to supplement total costs and time to complete the project;
2. Approve the transfer of \$105,000 from Department 89, Fund 302, Account 070K-00, to Appropriation Account W140, General Services Department;
3. Request Mayoral and Council approval for the appropriation of \$105,000 into the General Services Department account, by authorizing staff to request the City Administrative Officer (CAO) to include the appropriation in the Monthly Financial Status Report to the City Council;
4. Direct the Board Secretary to transmit the proposed amendment to the City Attorney for review as to form; and,
5. Authorize the General Manager to execute the amendment upon receipt of necessary approvals.

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### SUMMARY:

The Sherman Oaks Castle in the Sepulveda Basin Recreation Area has been self-operated by the Department, in cooperation with our food, arcade, and batting cage concession partners, since 1993. Immediately upon assuming this operation, the constrictive restrooms, with limited commodes and sinks, were identified as an element of infrastructure needing major renovation and expansion. After several years of self-operation, funds had accumulated in the Concession Improvement Account sufficient to launch the design of a restroom expansion and other renovations to comply with ADA requirements, and to allocate an amount for construction. Finally, in 1999, plans for a restroom addition were completed in-house, however there was a previously unforeseen design complication that promised to increase the project cost well beyond the approximately \$400,000 budget, because engineers concluded that pilings were required for an addition off the side of the existing building. When placed out to bid, the project had only one bidder, who withdrew.

Because of customer dissatisfaction with the deficient restrooms and the inaccessibility of the birthday party areas at the foot of a steep staircase, abandoning the project was not viable. Department staff began increasing the pace of savings from Castle revenues, as well as looking for other alternatives, and ultimately developed a revised plan which kept the footprint of the restrooms inside the existing building and used a switchback with decorative "castle" walls for access to the party areas. In considering the delays inherent in bidding out this project to an outside contractor, staff consulted with the Construction Division of the General Services Department (GSD) for an estimate and timetable. GSD has accomplished several major construction and renovation projects for the Department satisfactorily, notably the Cabrillo Bathhouse and the Woodley Clubhouse. They were responsive, understood the plans and the job well, provided a reasonable estimate, and were ready to begin work immediately. The Board approved a Memorandum of Understanding (MOU) with GSD on May 7, 2003 (Board Report 03-144), and on October 1, 2003, approved the transferred funds from the Municipal Recreation Program Account for the Sherman Oaks Castle in the amount of the construction estimate of \$394,637.00 (Board Report 03-321).

The expansion of the restroom was completed in Fall of 2004. The other major component of the project, the new ramp to the party areas, was delayed due to the need to reassess the geotechnical findings and civil engineering work. The Bureau of Engineering completed a revised set of construction drawings for the project early in 2005, but construction could not begin immediately because of the heavy summer season for the facility. Work has started as of September 1, 2005, and is expected to be completed before the end of November. In addition to the extra time required, the cost to complete the ramp portion of the project has increased due to several factors:

- We were unable to rent an adjacent parking lot for laydown area and access, so all workers, material, and equipment must access through the building, which can only be done when the facility is closed, necessitating night overtime work;

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- Civil engineering requirements changed to meet current code;
- Provision of access to the miniature golf courses during construction required the building of a substantial wooden access ramp.

General Services estimates that the additional costs to the project will not exceed \$105,000.00. Approximately \$120,000.00 remains from the original \$394,637.00 estimate for the project, after all restroom expenses are deducted. The restroom project adhered to the original budget.

As the Castle will experience a reduction in revenue during construction, it is not practical to seek the additional funding from facility revenue. Originally the project was to be funded entirely from the Concession Improvement Account, which receives 10% of the revenues paid by concessionaires, or up to \$50,000 a year. Instead, the project so far has been funded by Castle revenues. For this additional cost, staff recommends using part of the originally planned Concession Improvement Funds, an appropriate expenditure since the concessions at this location contribute to the fund, which was established to make capital improvements at concessions.

### FISCAL IMPACT STATEMENT:

Approval of this amendment will have no impact on the Department's General Fund, although eventual completion of this major improvement project will likely result in modest revenue increases in coming years as patronage increases.

This report was prepared by Linda J. Barth, Administrative Resources Division