

APPROVED
MAY 02 2012

REPORT OF GENERAL MANAGER

NO. 12-058

DATE March 14, 2012

**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. 6

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: BRANFORD RECREATION CENTER – OUTDOOR REFURBISHMENT (W.O. #E170236F) PROJECT – RECISSION OF AWARD OF CONSTRUCTION PROJECT AND TERMINATION OF MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS, THE DEPARTMENT OF PUBLIC WORKS, BUREAU OF ENGINEERING, AND THE DEPARTMENT OF GENERAL SERVICES – FINAL PLANS AND CALL FOR BIDS

R. Adams	_____	K. Regan	_____
H. Fujita	_____	*M. Shull	<u><i>[Signature]</i></u>
V. Israel	_____	N. Williams	_____

[Signature]
General Manager

Approved _____ *AS Amended See Attached* Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Rescind the Board's prior approval of 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), Construction Services, approved by the Board on June 2, 2010 (Board Report No. 10-137);
2. Approve the proposed Mutual Termination Agreement, substantially in the form on file in the Board Office, for the Branford Recreation Center – Outdoor Refurbishment (W.O. #E170236F) project, in accordance with the terms of the MOU between RAP, BOE, and GSD, to provide construction services for this project;
3. Direct the Board Secretary to transmit the proposed Agreement to the City Attorney for review and approval as to form;
4. Authorize the General Manager to execute the Agreement, upon receipt of approval of the City Attorney as to form;

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- W/D
- W/D
5. Approve the final plans and specifications for the Branford Recreation Center – Outdoor Refurbishment (W.O. #E170236F) project;
 6. Approve the reduction in the value of work that the specifications required to be performed by the Prime Contractor from 50% to 20% of the base bid price; and,
 7. Approve the date to be advertised for receipt of bids as Tuesday, April 24, 2012 at 3:00 PM, in the Board Office.

SUMMARY:

On June 2, 2010, the Board of Recreation and Park Commissioners (Board) approved the MOU between RAP, BOE, and GSD to provide the construction services for the Branford Recreation Center – Outdoor Refurbishment (W.O. #E170236F) project, located at 13306 Branford Street, Arleta, California 91331 (Board Report No. 10-137). BOE's estimate for total construction cost is \$806,785.

Subsequent to the Board's action of June 20, 2011 and after reviewing the construction documents, GSD presented a construction budget of \$1,464,393. This amount represents about 81% over BOE's estimated construction cost estimate. The total available Proposition K allocation is \$1,317,886, including Proposition K Interest and Inflation. GSD's budget is about 11% over allocated funds. Therefore, it is recommended that the award of the construction project to GSD be rescinded and the MOU be terminated in accordance with its terms, and that the project be advertised for bids upon approval of the Call for Bids by the Board.

The project is funded by Proposition K. Plans for this project were prepared by the BOE's Architectural Division. The plans provide for refurbishment and improvements to the existing sport fields and landscaping at Branford Recreation Center. The proposed improvements at this facility include the refurbishment of four baseball diamonds, repaving of parking lot and walkway, and improvement of existing irrigation systems. The project also includes the installation of four new drinking water fountains. The overall project scope as specified in the Proposition K ballot measure also called for refurbishment of the gym floor. Department staff has determined that the gym floor is not currently in need of refurbishment. Therefore, a portion of the Proposition K allocation will be reserved to be used in the future when the gym floor needs refurbishment. Those reserved funds would be available for use on the gym floor over the next 10 to 15 years.

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Funds for construction are available for the proposed improvements. Funding is available in the following fund accounts:

<u>FUNDING SOURCE</u>	<u>FUND NO. / DEPT. NO. / ACCT. NO.</u>
Proposition K - Year 13	43K/10/10F246

It has been the policy of this Board to require that the prime contractor on construction projects perform a minimum of 50% of the work for the project, as measured by the base bid price. It is proposed that the Board reduce the prime contractor's participation requirement from 50% to 20% on this project. This should help attract a broader range of prime contractors, thus creating a more inviting and competitive bidding environment for this project. Also, it should create more competitive pricing among the specialty pool subcontractors providing bids to the prime contractors.

In compliance with the California Environmental Quality Act (CEQA), staff has determined that the proposed improvements are refurbishment of existing park facilities and will not have any significant impact on the environment. The project has been determined to be Categorical Exempt pursuant to Article III, Section 1(a), Class 1(1) of the City CEQA Guidelines. A Notice of Exemption was filed with the City Clerk on June 8, 2009. The scope of the project has not substantially changed since the original exemption, and no additional CEQA documentation is required.

The City Attorney has reviewed and approved the bid package.

FISCAL IMPACT STATEMENT:

All costs are expected to be paid with Proposition K monies. There is no anticipated financial impact to the Department's General Fund. There is no expected increase in operations or maintenance costs due to this project.

This report was prepared by Ejike Mbaruguru, Project Manager, Recreational and Cultural Facilities Program, Bureau of Engineering. Reviewed by: Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, BOE; Deborah Weintraub, Chief Deputy City Engineer, BOE; and Michael A. Shull, Superintendent, Planning, Construction and Maintenance Division, Department of Recreation and Parks.

EXCERPT FROM THE MINUTES OF THE REGULAR MEETING
BOARD OF RECREATION AND PARK COMMISSIONERS
MAY 2, 2012

GENERAL MANAGER'S REPORT:

12-058

BRANFORD RECREATION CENTER – OUTDOOR REFURBISHMENT
(W.O.#E170236F) PROJECT – RESCISSION OF AWARD OF
CONSTRUCTION PROJECT AND TERMINATION OF MEMORANDUM
OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION
AND PARKS, THE DEPARTMENT OF PUBLIC WORKS, BUREAU OF
ENGINEERING, AND THE DEPARTMENT OF GENERAL SERVICES;
FINAL PLANS AND CALL FOR BIDS

The above item was described and presented to the Board by Department staff. Public comments were invited, however, no requests for public comment were received.. A detailed discussion by the Commission ensued.

Michael Shull, Superintendent, Planning, Construction and Maintenance Division, amended the report as follows:

RECOMMENDATIONS:

6. To be Withdrawn.
7. To be Withdrawn.

Ms. Shull further advised that the project was originally awarded to the Department of General Services (GSD); however, the estimate provided by GSD came in at almost twice the amount of the Department of Recreation and Parks' (RAP) available funding. After further review, staff felt that the project could be done better by RAP in-house staff. Therefore, Mr. Shull amended the report to reflect that the project would be completed by the RAP in-house staff.

Motion

It was moved by Commissioner Stanley, seconded by Vice President Alvarez, that General Manager's Report No. 12-058 be approved as amended. The motion carried unanimously.

MUTUAL TERMINATION AGREEMENT
OF THE
MEMORANDUM OF UNDERSTANDING
FOR THE

BRANFORD RECREATION CENTER – OUTDOOR REFURBISHMENT PROJECT
(W.O. #E170236F)

This Mutual Termination Agreement is entered into this ___ day of _____, 20___ by and between the Department of Recreation and Parks, hereinafter referred to as RAP, the Department of Public Works, Bureau of Engineering, hereinafter referred to as BOE, and the Department of General Services, hereinafter referred to as GSD.

WHEREAS, on June 2, 2010, the Board of Recreation and Park Commissioners approved Board Report No. 10-137, approving a Memorandum of Understanding (MOU) between RAP, GSD, and BOE to provide construction services for the Branford Recreation Center – Outdoor Refurbishment (W.O. #E170236F) project; and,

WHEREAS, the MOU was executed on June 18, 2010; and,

WHEREAS, on November 03, 2011, GSD submitted a construction cost projection - \$1,331,266 base cost and \$133,127 contingency cost, for a total amount of \$1,464,393 which exceeded the available funds for construction as well as being higher than the City Engineer's Construction Cost Estimate for the Project; and

WHEREAS, RAP, GSD, and BOE hereby mutually agree to terminate this MOU.

NOW, THEREFORE, the parties hereto do mutually agree to the following:

The Memorandum of Understanding by and between the BOE, GSD and RAP for the Branford Recreation Center - Outdoor Refurbishment (W.O. #E170236F) project is hereby terminated by mutual agreement of the parties in accordance with Article VIII.A of the MOU.