

APPROVED  
JAN 06 2010

REPORT OF GENERAL MANAGER

NO. 10-004

DATE January 6, 2010

BOARD OF RECREATION  
and PARK COMMISSIONERS

C.D. 11

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: POTRERO CANYON PARK DEVELOPMENT PHASE II - APPROVAL OF PROJECT CLOSEOUT AND TERMINATION OF CONTRACT NO. 2387

R. Adams	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
V. Israel	_____	M. Shull	<u>MS</u>

Reg Adams  
General Manager

Approved MS Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Approve the termination of Construction Contract No. 2387 with Potrero Canyon Constructors, a Joint Venture consisting of Calex Engineering Company, a partnership, and West Coast Transfer Services, Inc., a corporation (hereinafter referred as "Contractor"), per agreement of the parties to mutually terminate the agreement upon payment of the retention; and, *Subject to receiving a communication from the other joint venture partner consenting to the termination*
2. Authorize the Board Secretary to request the release of \$248,923.54 being held under Contract No. 2387 to Contractor.

SUMMARY:

On June 11, 1990, the Board awarded the construction of Potrero Canyon Park Development, Phase II, located at 15145 Pacific Coast Highway in the City of Los Angeles to the Contractor (Board Report 315-90). The contract was subsequently executed on April 8, 1991, for the design and construction of the project. The scope of work included the design and construction of a buttress fill, of approximately 1,500,000 cubic yards in volume, for the purposes of canyon slopes stabilization.

Over the course of the construction of Phase II, additional scopes of work were required to buttress three of the historic landslides, which became active during the course of construction causing emergency conditions requiring immediate action on the part of the Department of Recreation and Parks (RAP) in order to prevent damage to private as well as public property.

## REPORT OF GENERAL MANAGER

PG. 2

NO. 10-004

The additional scopes included the demolition of the Sunspot Motel, which was damaged in December of 1994 during a landslide, construction of a new entry road to Potrero Canyon to facilitate completion of the project, installation of buttresses to existing slides within the Canyon, and additional slopes drains.

Additional change orders requested by RAP and executed by the Contractor included the re-compaction of future restaurant pad, additional depth of the proposed keyway for the engineered buttress fill, removal of additional slide failures, installation of additional catch basins and pipe connections, removal and replacement of drainage systems, installation of hydro-seeding to prevent erosion, tennis court modification and curb wall installation, additional access road and curb at existing park entry, installation of 24" CMP from Friends Street to new catch basin at canyon entry, installation of two new catch basin and two energy dissipaters, and installation of new sprinklers to water new trees at ball field slopes.

There were three (3) supplemental agreements between the City of Los Angeles Department of Recreation and Park and the Contractor previously issued on the contract. The supplemental agreements extended the time and amount of the contract. Supplemental Agreement No. 1 was entered into on July 14, 1997, to provide the first portion of the work which included the demolition of Sunspot Motel and excavation and slide removal in the amount of \$344,000. Supplemental Agreement No. 2 was entered into on March 4, 1998, in order to pay the Contractor the sum of \$3,085,238, which represents the difference between the approved funds and funds available to Supplemental Agreement No. 1 for the demolition of the Sunspot Hotel, slide remediation, and installation of access road, related engineering improvements, and Phase III buttress work. Supplemental Agreement No. 3 was entered into on November 16, 2005, to increase the contract amount of Contract No. 2387 with the Contractor by \$372,452.49 for the approved change orders requested by RAP. The total amount for all three supplement agreements were \$3,801,690.49.

The project was placed on hold due to lack of funds and the project was left incomplete. Council District 11 is currently working with the Bureau of Engineering (BOE) and RAP to move the project forward. Since the project is now being reevaluated and designed by BOE and the final design may be different from the existing contract, BOE recommends that the current project be constructed through a new bid and award process.

Pursuant to the mutual agreement between the City of Los Angeles and the Contractor, construction Contract No. 2387 is recommended to be terminated. This allows the settlement to move forward with the release of the retention in accordance with Recommendation No. 2 above.

The Assistant General Manager of Operations East and Superintendent for the Pacific Region have been consulted and concur with staff's recommendations.

REPORT OF GENERAL MANAGER

PG. 3

NO. 10-004

FISCAL IMPACT STATEMENT:

There is no fiscal impact on the Department's General Fund at this time.

This report was prepared by Cathie Santo Domingo, Recreational and Cultural Facilities Program. Review by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program; Deborah Weintraub, Chief Deputy, Bureau of Engineering and by Michael Shull, Superintendent, Planning and Development Division, Recreation and Parks.