

APPROVED

REPORT OF GENERAL MANAGER

NO. 14-002

DATE: January 8, 2014

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BOARD OF RECREATION
1 PARK COMMISSIONERS

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: CULVER SLAUSON RECREATION CENTER - PHASE II (YOUTH COMMUNITY CENTER) (PRJ20550) (W.O. #E1907289) PROJECT - FINAL ACCEPTANCE

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

[Signature]
General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve the final acceptance of work under Contract No. 3361, with the Nile Advanced Construction, Inc., as outlined in the Summary of this Report;
2. Assess Nile Advanced Construction, Inc., in the amount of \$7,500.00, for liquidated damages, in accordance with the specifications for this contract;
3. Authorize the Department's Chief Accounting Employee to withhold \$47,440.73 from retention funds for outstanding violations, as assessed by the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC);
4. Authorize the Department's Chief Accounting Employee to release all retention funds, except what was determined to be withheld in Recommendations No. 2 and No. 3, above, and any other funds previously withheld due to accepted Stop Notices, held under Contract No. 3361 to Nile Advanced Construction, Inc., thirty-five (35) calendar days after acceptance of the work by the Board; and,
5. Authorize the Board Secretary to furnish Nile Advanced Construction, Inc., Contract No. 3361, with a letter of completion.

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SUMMARY:

The construction contract for the Culver Slauson Recreation Center - Phase II (Youth Community Center) (PRJ20550) (W.O. #E1907289) project was awarded to Nile Advanced Construction, Inc., on October 5, 2011 (Board Report No. 11-281), in the amount of \$1,888,000.00. The project, located at 5072 South Slauson Avenue, Los Angeles, CA 90230, provided for the demolition of the existing 980 square-foot Youth Community Center building, basketball and volleyball courts; and the construction of a new 2,875 square-foot Youth Community Center building, basketball/volleyball courts, parking lot re-striping to increase parking from 13 spaces to 15 spaces, landscaping, irrigation, security lighting and basketball/volleyball court lighting. The Department of Public Works, Bureau of Engineering (BOE), Architectural Division, performed the project management, project design, and construction administration tasks, while the Construction Management Division performed the construction management task.

Construction is 100% complete. On July 29, 2013, the Department of Building & Safety issued the Certificate of Occupancy for the project. On September 3, 2013, the Department of Recreation and Parks (RAP) took beneficiary occupancy of the facility. The grand opening dedication was held on October 1, 2013.

BOE has informed RAP that this project was completed with a total of forty five (45) Change Orders being issued, for a total amount of \$277,889.00 or 14.7 % of the base contract amount. The final contract amount, including change orders, is \$2,165,889.00. The project was completed within the overall available budget.

The contractor was charged with five (5) days in excess of the authorized contract time. The liquidated damages are stipulated in the contract at \$1,500.00 per calendar day. Thus, the liquidated damages total amount is \$7,500.00, which should be deducted from the remaining retention.

RAP staff consulted with the OCC concerning the status of the labor compliance requirements and Affirmative Action requirements on the project. The OCC has informed the Project Manager that \$47,440.73 in alleged wage violations and penalties are being assessed to the contractor for alleged underpayments of prevailing wages by his subcontractor, and that therefore, \$47,440.73 in retention should be withheld and not released at this time. This amount should continue to be held in retention until such time as written notice is received by the Board that the contractor has either fully complied with such wage and penalty assessment or that such wage and penalty assessment is released by the OCC, or that all or a portion of such wage and penalty assessment shall be garnished from the final retention release payment to the contractor.

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Additionally, retention funds resulting from previously filed and accepted Stop Notices on August 14, 2013 (Board Report No. 13-198) (in the amount of \$65,543.19, plus an additional sum equal to 25% thereof) will continue to be withheld until release of those Stop Notices takes place.

FISCAL IMPACT STATEMENT:

There is no fiscal impact to RAP's General Fund for the approval of this board report. However, future operations and maintenance costs have yet to be determined and a request for funding will be submitted in future annual budget requests.

This Report was prepared by Willis Yip, Project Manager, Bureau of Engineering (BOE) Architectural Division. Reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, BOE; Deborah Weintraub, Interim City Engineer, BOE; and Ramon Barajas, Superintendent, Department of Recreation and Parks.