

APPROVED

REPORT OF GENERAL MANAGER

NO. 08-129

DATE May 21, 2008

MAY 28 2008
BOARD OF RECREATION
and PARK COMMISSIONERS

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ECHO PARK BUILDING RENOVATION, ALSO KNOWN AS ECHO PARK POOL AND BATHHOUSE (W.O. #E170388F) - CHANGE ORDERS TO CONTRACT NO. 3158, PARTIAL ACCEPTANCE, AND RELEASE OF RETENTION

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

Reg. G. Adams
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Authorize the City Engineer to negotiate change orders, in a not-to-exceed amount of \$651,000, which will result in total project change orders exceeding 25 percent of the original contract amount, as outlined in the body of this report;
2. Approve the partial acceptance of work and the release of 100 percent of the retention monies on 100 percent of the work performed on Echo Park Building Renovation (W.O. #E170388F) performed under contract No. 3158 with Tobo Construction, Inc., as outlined in the body of this report, subject to satisfaction of conditions listed under Article 48, General Conditions of the contract;
4. Authorize the Department's Chief Accounting Employee to release all retention monies held under Contract No. 3158 to Tobo Construction, Inc., immediately after partial acceptance by the Board, subject to satisfaction of conditions listed under Article 48, General Conditions of the contract;
5. Direct the Department's Chief Accounting Employee to retain 10% of all future progress payments relating to future Change Orders for the construction of Echo Park Building Renovation (W.O. #E170388F) performed under Contract No. 3158 with Tobo Construction, Inc.; and,

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- 6 Authorize the Board Secretary to furnish Tobo Construction, Inc., under Contract No. 3158, with a letter of partial completion, subject to satisfaction of conditions listed under Article 48, General Conditions of the contract.

SUMMARY:

The Echo Park Building Renovation (W.O. #E170388F) project is located at 1419 Colton Street, Los Angeles, California, 90026. The existing structure was a one-story 30,000 square-foot building with concrete walls in the lower ten feet of the building, steel columns and metal panels on the upper portion of the walls, and steel beams and girders in the upper roof structure. The building was constructed in 1980 and enclosed the indoor swimming pool, men's and women's restrooms, showers, and changing areas, lifeguard and staff office areas, and the pool equipment room.

Plans for the project were prepared by Frank R. Webb Architects, and called for the following scope of work: removal of the existing roof structure including skylights, mechanical systems, and lighting; installation of the new roof structure including skylights; installation of glass and glazing above the perimeter concrete walls; installation of new Heating, Ventilation and Air Conditioning (HVAC) system; installation and upgrade of electrical system; and upgrades for disabled access to the bathhouse and parking.

The project initially called for upgrading the facility to comply with the current Americans with Disabilities Act (ADA) requirements. During the initial site evaluation and design, substantial deterioration of the steel roof structure was found above the swimming pool area, the bathhouse, and the pool equipment room. Supporting columns and beams were corroded underneath the paint due to the continuous exposure to chlorine and high humidity in the building interior. Upon further investigation, the structural engineer determined that the steel roof structure had lost more than 30% of its design capacity and needed complete replacement. The facility was closed in November, 2003. With the approval of the L.A. for Kids Steering Committee, the project scope was expanded to include the removal and replacement of the roof structure. Design proceeded while additional funds were sought for the project and additional funds were approved for the project in the following year. The project was advertised and awarded to Tobo Construction, Inc., on June 1, 2005 (Board Report No. 05-155), in the amount of \$4,226,700.

Tobo Construction, Inc., started construction on August 8, 2005 and completed the project on March 12, 2008. To date, the contract amount is \$5,267,589.25, which includes the base bid amount of \$4,226,700 and forty-two (42) approved change orders in the amount of \$1,040,889.25, which equals 24.6 percent of the base bid for unforeseen conditions and project betterments at the request of Department staff.

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Tobo Construction, Inc., has submitted additional change order requests in the total amount of \$1,817,703.08. These change order requests relate to revisions to the structural roof (connections, angle brackets, column base plates, etc.), additional scope added to the disabled access upgrade of the bathhouse area for compliance with ADA and the Health Department requirements, additional scope to enhance the appearance of the building interior and exterior (painting, additional new windows and doors, parking lot sealing and striping, exterior lighting), additional scope to replace corroded electrical and mechanical systems that were assumed to be reusable, and delay claims for various Building and Safety and Department of Water and Power permit related issues. Bureau of Engineering (BOE) has reviewed these change order requests and requests authorization to negotiate in a not-to-exceed amount of \$651,000.

The main project scope entailed the removal and replacement of the deteriorating roof. After removal of the roof structural system, which included steel beam spans of up to 120 feet, additional deterioration was discovered behind the walls which required replacement of additional structural members. Assumptions were made for connections to the existing structure based on as-built drawings. These connections were revised and adjusted to accommodate the existing condition at numerous locations in the 30,000 square foot building area.

Within the bathhouse area, the plans provided for ADA accessible water closets and showers at the men's and women's bathhouse areas; however, during construction, water damage was found behind the walls. This resulted in the removal of all existing fixtures and the installation of new toilets, sinks, showers, partitions, mirrors, and dispensers for all areas. The facility had existing reinforced concrete slab floors, which had slopes that exceeded the ADA maximum allowable. The floors were removed and replaced.

At the request of the Department, the building interior and exterior were painted and the parking lot was resealed and striped. Additional exterior lighting was also installed.

Due to the site conditions, structural details and electrical plans were resubmitted to the Department of Building and Safety and Department of Water and Power, since the previously approved plans differed from the site conditions. Additional upgrades were required to the electrical system to bring the building up to current code standards. The electrical panel, which was assumed to be existing non-conforming, had to be relocated and brought up to code. The contractor is requesting compensation for the time delay due to these permit related issues.

Other fire/life safety requirements were added to the project during construction including fire sprinklers and specialized safety lights for pool visibility (Board Report No 06-277) and additional mechanical upgrades.

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Sufficient funds are available in the project's construction contingency funds to cover the remaining change orders. Once the final change orders are negotiated, a recommendation for Final Acceptance will be presented to the Board for future consideration. If the BOE project manager is unsuccessful in negotiating these final change orders and cannot come to an agreement with the contractor, a follow-up report will be presented to the Board.

BOE, Recreational and Cultural Facilities Program recommend payment of 100 percent of the construction payment retention monies to the contractor for completion of all work under Contract No. 3158. This work has been satisfactorily performed in accordance with the contract documents and specifically Article 48 of the General Conditions.

Article 48 of the General Conditions of the Contract states that the CITY may, if the work is progressing satisfactorily, release part of the retention on portions of the work for which a Statement of Partial Completion has been issued, provided that the following conditions have been met:

- Item 1. Partial Final Inspections corrections have been completed to the satisfaction of the INSPECTOR.
- Item 2. The CONTRACTOR submits a written request for the release of retention which includes a verifiable valuation of the identified portions of the Work covered by the Statement of Partial Completion.
- Item 3. Impacted Subcontractors, major suppliers and the CONTRACTOR's Surety all agree in writing to release of retention.
- Item 4. If any minor corrections remain which do not directly affect operations or maintenance then twice the values of the remaining cleanup items shall retained on each request for release.
- Item 5. The CONTRACTOR signs a Change Order which specifically states the value of the retention being release.

FISCAL IMPACT STATEMENT:

There is no immediate fiscal impact to the Department's General Fund. The costs for operations of the facility are already included in the Department's Fiscal Year 2007-08 operating budget for Pool facilities, as services for a year round pool are currently being provided at a temporary facility.

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This report was prepared by Meghan Aldrich and Cathie Santo Domingo, Recreational and Cultural Facilities Program; and Jose Medallo, Construction Management Division, Bureau of Engineering. Reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program; Deborah Weintraub, Chief Deputy City Engineer, Bureau of Engineering; and Michael A. Shull, Superintendent, Planning and Development Division, Department of Recreation and Parks.