

REPORT OF GENERAL MANAGER

NO. 05-303

DATE November 16, 2005

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: AMENDMENT NO. 2 EXTENDING THE TERM OF THE OPERATING AGREEMENT FOR JOINT USE OF THE POOL AT THEODORE ROOSEVELT HIGH SCHOOL

J. Combs	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
B. Jensen	_____	*M. Shull	<u>MS</u>

Robert H. Jensen (for)

 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve Amendment No. 2, substantially in the form on file in the Board Office, that extends for twenty years the current Operating Agreement for shared use of the outdoor pool at Theodore Roosevelt High School, subject to approval of the Mayor and of the City Attorney as to form;
2. Direct the Board Secretary to forward Amendment No. 2 concurrently to the City Attorney for review and to the Mayor for review and approval in accordance with Executive Directive No. 3; and
3. Authorize the Board President and Secretary to execute Amendment No. 2 upon obtaining the necessary approvals.

SUMMARY:

The Department of Recreation and Parks has shared use of the swimming pool complex at five high schools within the Los Angeles Unified School District (LAUSD). In addition, students from Eagle Rock High School use the outdoor pool at the nearby Yosemite Recreation Center. The Department financed the construction of the pools located at the high schools; the pools were to be amortized over several decades of use. The earliest project was in 1967 for the indoor pool at Venice High School. The latest of these Agreements was executed in 1992 for the indoor pool at Grover Cleveland High School.

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The City was recently allocated \$2.7 million from the State Natural Resources Infrastructure Fund. This sum is available to refurbish the outdoor pool complex at Theodore Roosevelt High School, located at 456 South Mathews Street, a block east of Soto Street in Boyle Heights.

The current Agreement for the construction and joint use of this pool dates from 1972 and will expire December 14, 2005. Less than four years after execution, the Agreement was amended to change the location of the outdoor pool. While the City has an option to renew the Agreement for ten years, through 2015, the State has determined that in return for the grant funding, the City must demonstrate the right to program public use of the pool for twenty years. Therefore, staff requests authorization to extend for twenty years the term of the current Operating Agreement.

Completely refurbishing the pool will cost over five million dollars. The Bureau of Engineering and Citywide Aquatics have developed costs for a priority-based list of renovations to the main pool, the wading or therapy pool, the deck, lifeguard station, protective wind screens or panels and the bath house. Some improvements involve ADA accessibility. It is estimated that the grant is sufficient to fund the most urgently needed repairs to the pools and immediate area, including ADA requirements. The City must spend the State funds by June 30, 2009.

LAUSD's Board is in the process of approving Amendment No. 2, which is expected to occur in November 2005. LAUSD personnel are also seeking approval from their Board to contribute the \$405,000.00 needed to refurbish the wind screens and metal support frame at the pool site. This project is among those judged to have high priority.

Both LAUSD and the Department recognize that many terms of the original Agreement are obsolete, including the amount each party should contribute to pool maintenance and operation; therefore, Amendment No. 2 stipulates that a successor agreement is to be executed, if possible, within eighteen months of the Amendment's execution. If a successor agreement is not approved within that time because of differences over contributions to maintenance and operation costs, the parties agree to seek mediation or arbitration of the impasse.

Staff determined that the proposed Amendment No. 2 to the Operating Agreement is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1 (14) of the City CEQA Guidelines. This exemption involves the issuance, renewal or amendment of a lease, license or permit to use an existing structure or facility and involves negligible or no expansion of use.

The Office of Council District Fourteen, the Superintendents of Metro and West Regions and the supervisor of Citywide Aquatics concur with staff's recommendations.

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FISCAL IMPACT STATEMENT:

Since the refurbishment is being conducted in phases as funding becomes available, there is no anticipated cost to the Department's General Fund other than staff time associated with consulting with the Bureau of Engineering and their contractual personnel. It is likely that a successor agreement will have adjustments, not yet known, to the current, prorated maintenance and operating costs borne by both parties. LAUSD agreed to the twenty-year term of Amendment No. 2 in order for the City to receive the \$2.7 million in State funds and begin the long delayed refurbishment. In return, LAUSD asked to include mediation or arbitration language in Amendment No. 2 in order to have more assurance that executing a successor agreement would not meet with intractable delay. Since the City and LAUSD have had successful pool agreements for nearly forty years, it is expected that the negotiations will be concluded by their respective staff within the desired time frame; however, should this not occur, then unknown mediation or arbitration costs may result.

Report prepared by Joan Reitzel, Senior Management Analyst in Real Estate and Asset Management.