


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

**L.A. FOR KIDS STEERING COMMITTEE MEETING
AGENDA ITEM (4)
PEOPLE COORDINATED SERVICES OF SOUTHERN CALIFORNIA, INC.
BUREAU OF ENGINEERING**

DATE: February 25, 2016

TO: Proposition K – L.A. for Kids Steering Committee

FROM: Neil Drucker, Program Manager 
Proposition K - L.A. for Kids Program
Bureau of Engineering

SUBJECT: PEOPLE COORDINATED SERVICES OF SOUTHERN CALIFORNIA, INC. - YOUTH AND FAMILY RECREATION CENTER -- AMENDMENT NO. 2 TO PROPOSITION K GRANT AGREEMENT NO. C-115607, TO EXTEND THE DEADLINE FOR COMPLETION OF DESIGN AND CONSTRUCTION (CD #9, PROJECT ID#C176-6)

RECOMMENDATIONS

The Bureau of Engineering (BOE) recommends that the L.A. for Kids Steering Committee recommend that the City Council:

1. Approve People Coordinated Services of Southern California, Inc.'s request to extend the deadline under Proposition K Grant Agreement No. C-115607 for design and construction of the Youth and Family Recreation Center Project from December 31, 2015, to December 31, 2017.
2. Authorize the City Engineer to negotiate and execute Amendment No. 2 to Proposition K Grant Agreement No. C-115607, to extend the deadline for completion of design and construction.

DISCUSSION

People Coordinated Services of Southern California, Inc. (PCS), applied for Proposition K competitive funding in the 6th funding cycle, for construction of the Youth and Family Recreation Center, located at 4501-4511, 4513 South Broadway Avenue. PCS was awarded \$700,330 in Proposition K funds (Council File No. 07-4171) to assist with the construction of the project. The Youth and Family Recreation Center will be comprised of a two-story (originally a three-story), Type V-B building, approximately 21,016 sq.ft. Proposition K funds will be used to assist with

construction of the following components of the overall Youth and Family Recreation Center Project:

1. Construct an indoor gymnasium (5,394 sq. ft.) which includes a basketball court (84' X 50'), six (6) permanent basketball hoops, adjustable nets for volleyball; permanent retractable bleachers and an electronic scoreboard.
2. Construct a 3,800 sq. ft. outdoor basketball court, (74' X 42') with two permanent basketball hoops and permanent bleachers.
3. Install a special metal halide and quartz re-strike lighting system for the outdoor courts.
4. Install 1,500 sq. ft. of landscaping and urban greening along Broadway and 45th street which will include:
 - a. Irrigation system for water conservation.
 - b. Large trees, shrubs, perennials, vines, and sod.
 - c. A below grade percolation system.

Proposition K Grant Agreement No. C-115607, between the City (Bureau of Engineering) and the P C S was executed on June 26, 2009, and required that design and construction be completed by June 26, 2011.

The total estimated cost of the entire project, acquisition costs & constructions costs, is estimated at \$6,175,390, as shown in the Project Budget (**Attachment B**). PCS was awarded \$2,343,000 from the State of California Proposition 40 Murray-Hayden bond funds; \$697,500 from the State of California Youth Authority; and \$700,330 in Proposition K funds. PCS also anticipates receiving \$500,000 from the Ahmanson Foundation, and utilizing \$1,934,560 from PCS's own funds.

When the State of California budget crisis ensued, PCS received notification from the State of California, Department of Parks and Recreation to suspend all work on the project as a result of the budgetary challenges the State was facing. Due to the lack of State funds at that time to continue forward with the project, the project was temporarily suspended.

In June 2009, the suspension of funding by the State of California was lifted. Realizing the impact that the suspension had on the project, PCS requested a one year extension from the State of California Legislature. Due to the delay in approval of the State budget, which was approved in November 2009, retroactive to July 1, 2009, made it impossible for PCS to complete the project utilizing the original project schedule. Further delays in the State Legislature with regards to the budget and budget appropriations for this particular project delayed the possibility of getting the

project off the ground. In September 2012, PCS was able to sign a contract with the State of California, Department of Parks and Recreation for the reauthorization of State funds that had already been allocated to them.

In April 2013, PCS advertised for receipt of bids through various media to select a prime contractor for the project. Bids were received on May 17, 2013. Six (6) bidders responded with bid amounts all higher than the allocated \$4.5 million cost for construction. Because the bids exceeded the construction budget, PCS elected to reject all bids, modify the overall project by eliminating the third floor administrative offices (approximately 5,800 square feet) and re-bid the project. The construction contract was awarded to Cal-City Construction, Inc. and the "Notice to Proceed" (NTP) was finalized on June 20, 2014. It is to be noted that the administrative offices on the third floor of the building were not part of the Proposition K scope. Thus, the Proposition K scope would remain the same as described in the original project proposal and the Grant Agreement. The elimination of the third floor of the building will not affect the Proposition K project.

Due to all these delays, PCS requested an extension of the deadline for completion of design and construction from June 26, 2011, to December 31, 2015. Amendment No. 1 was executed on April 23, 2014.

Furthermore, on February 9, 2016, People Coordinated Services sent BOE a letter (**Attachment A**), stating that the project encountered unanticipated construction delays during the demolition and grading phase of the project. These conditions were unknown to PCS and to Cal-City Construction Inc., their prime contractor. These unknown conditions are listed below:

- During the demolition of the existing 1-story brick building on lot #27 and the partial basement walls on lot #26 & #25, the contractor encountered massive concrete foundation footings which resulted in a change order and subsequent removal, adding to the construction cost and time.
- Trash, ash and uncertified fill were found buried on site, resulting in the need to obtain additional environmental and other testing of the soil and ash. While the soil was found to be safe, the amount of debris required sifting of the soil to remove items over a certain size. It was determined that it would be more cost effective to obtain other soil. Thereby, the buried trash and uncertified fill had to be removed and is currently replaced with acceptable soil.
- The originally approved Shoring Plans indicated that basement walls would serve as part of the temporary shoring system. Subsequently, during the demolition and grading, it was discovered that sixty percent of the basement walls did not exist below grade. As a result, the Shoring Plans had to be modified and resubmitted for approval to the City of Los

Angeles. The modifications of existing plans and submittal for plan-check approval further delayed construction.

Presently, the PCS Youth and Family Center is approximately 40% complete. BOE believes that it is in the best interest of the City and PCS that the deadline for completion of design and construction be extended from December 31, 2015, to December 31, 2017, as shown in the Construction Schedule (**Attachment C**), which should give sufficient time for PCS to complete design and construction of the project, and all related closeout activities.

Attachments:

1. Attachment A - Letter from People Coordinated Services of Southern California, Inc., February 9, 2016.
2. Attachment B – Project Budget
3. Attachment C – Construction Schedule



People Coordinated Services
OF SOUTHERN CALIFORNIA, INC.

www.pcs-socal.org

PROGRAMS AND SERVICES

ADMINISTRATIVE OFFICE

1221 South Western Avenue
Los Angeles, California 90006
(323) 735-1231

**CASTLE DRUG AND
ALCOHOL RECOVERY PROGRAM**

Residential Components
1318 South Manhattan Place
Los Angeles, California 90019
(323) 734-1143

4771 South Main Street
Los Angeles, California 90037
(323) 233-3342

Outpatient Component
3021 South Vermont Avenue
Los Angeles, California 90007
(323) 732-8124

YOUTH AND FAMILY PROGRAM

Family Resource Center
4429 South Broadway
Los Angeles, California 90037
(323) 846-1580

SENIOR PROGRAM

Adult Day Care Program
4703 South Crenshaw Boulevard
Los Angeles, California 90043
(323) 295-9925

**Multipurpose Center
West Area**

South Crenshaw Boulevard
Los Angeles, California 90043
(323) 294-5226

SENIOR NUTRITION PROGRAM SITES

Baldwin Hills
3939 Marlon Avenue
Los Angeles, California 90008
(323) 788-5088

Jim Gilman Senior Center
4000 South La Brea Avenue
Los Angeles, California 90008
(323) 291-5928

Multipurpose Senior Center
5133 South Crenshaw Boulevard
Los Angeles, California 90043
(323) 284-5226

Venice Japanese
Community Center
12448 Bradlock Drive
Los Angeles, California 90065
(310) 823-8885

Westchester Senior Center
8740 Lincoln Boulevard
Los Angeles, California 90045
(310) 649-3317

South Western Avenue
Los Angeles, California 90006
PHONE 323.735.1231
FAX 323.735.7059
TDD 323.735.5846



February 9, 2016

Mr. Neil Drucker, Program Manager
City of Los Angeles,
Department of Public Works-Bureau of Engineering (BOE)
Prop K - LA for Kids Program,
1149 S. Broadway Suite 700
Los Angeles, CA 90015-2213

Re: Extension for Services Contract # C-115607 for People Coordinated
Services Youth and Family Recreation Center, 4501 S. Broadway Avenue,
Los Angeles California 90037

Dear Mr. Drucker:

This letter serves as the People Coordinated Services of Southern California, Inc. (PCS) formal request to extend the deadline for completion of construction and all related closeout activities to December 31, 2017. Although it is intended that all construction activities will be completed by June 30, 2017, with the threat of El Nido rains still pending, the December 31, 2017 date provides a safety net.

This request for contract extension is made following several unanticipated conditions which contributed to the delay in pre-construction and construction activities. These conditions include but are not limited to the following:

1. **Rebid-** The original bidding process was completed in June, 2013, however, all bid proposals came in substantially over the PCS budget. Regrettably, PCS had to make the decision to reject ALL bids. A subsequent decision was made to modify the building design in order to reduce cost. The revised design eliminated one floor, reducing the building area from 26,661 square feet to 21,121 square feet and simplified the building systems. The modified drawings were completed and once again PCS tendered for bids from qualified contractors in March 2014. A total of six contractors submitted proposals for the construction; PCS subsequently awarded the contract to Cal-City Construction Inc.
2. **Delay in Construction Start-** The Contractor delayed signing of the AIA A101 and AIA A201 Contract Agreement (between Owner and Contractor). It was approximately six weeks before PCS received the executed agreement with all proper documentation. The "Notice to Proceed" (NTP) was finalized on June 20, 2014.
3. **Construction Delays-** Construction has been delayed as a result of unforeseen conditions encountered by the contractor while conducting



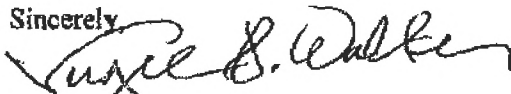
4. Installation of 1,500 square foot of landscaping and urban greening along Broadway and 45th street, which includes, Storm Water Mitigation System for water conservation. Irrigation and landscaping including, large trees, shrubs, perennials, vines, and sod.

PCS has great confidence that it will be able to complete the project within the time period shown in the updated attached project schedule. The magnitude of work that has been completed to date is substantial. The project continues to have readiness with funding.

The need for this type of development is greatly increased as we look at the need for service which is greater than available resources. This factor is compounded by the high levels of poverty, crime and unemployment. The recreation and other resources remain greatly insufficient to meet the needs of the community. The Youth and Family Center will be a community icon.

We are excited about the progress and look forward to your assistance in making this a success. If further information is necessary, please feel free to contact me at (323) 735-1231.

Sincerely,



Virgie P. Walker
President

Attachment B- Budget
Attachment C- Project Schedule

Project Budget					
Project Name:	PCS Youth & Family Center				
Project Location:	4501-4513 S. Broadway, Los Angeles CA 90037				
Owner:	People Coordinated Services of Southern California				
Architect:	ONYX Architect				
Site Area:	33,800				
Building Area	25,816				
Dated:	6/1/2009				
Category	Item #	Description	QTY	Unit	Cost
AT RISK NEIGHBORHOOD	1	Gym Walls -Block Walls, Shoring, Foundation Footing (labor & material)	1	LS	\$ 125,000
	2	Gym-Structural Steel Framing (labor & material)	1	LS	\$ 50,000
	3	Gym Floor- Slab & Special Floor Finish (labor & material)	1	LS	\$ 60,000
	4	Gym-Bleachers (permanent)	1	LS	\$ 10,000
	5	Gym Equipment-(Scoreboard, Hoops, Backboards)	1	LS	\$ 5,000
LIGHTING	6	Lighting for Indoor GYM – (fixtures, conduits, raceways, transformers, switches, timers, wire, accessories labor & equipment)	1	LS	\$ 200,000
	7	Lighting for Outdoor Court –(Light fixtures, support systems, conduits, raceways, transformers, switches, timers, wire, service, labor & equipment)	1	LS	\$ 50,000
URBAN GREENING	8	Landscaping & Irrigation (Finish Grading, Plants, Irrigation Equip.)	1	LS	\$ 150,000
ATHLETIC FIELD	9	Outdoor Basketball Court-Grading, Paving, Signage, Backboard supports, Painting/Striping, Screening Devices, Barrier Controls, Scoreboard	1	LS	\$ 50,330
TOTAL=					\$ 700,330

Attachment-B

DEVELOPMENT BUDGET - SOURCES & USES

Project Name: PCS FAMILY & YOUTH CENTER
 Project Address: 4501-4513 BROADWAY, LOS ANGELES CA
 Developer/OWNER: People Coordinated Services (PCS)
 Architect: ONYX
 Construction Manager: CND Design Builders
 Site Area: 33801 SF
 Building Area: 26,661(approx.)
 Dated: April 2013

DESCRIPTION	TOTAL BUDGET	SOURCES & USES				
		STATE MURRAY HAYDEN	STATE CA YOUTH AUTHORITY	AHMANNSON FOUNDATION	CITY OF LOS ANGELES- PROP K	PCS AND OTHER FUNDING
1. LAND COSTS:						\$ -
Purchase Price (a)	\$ 896,000.00		\$ 680,000.00		\$ -	\$ 216,000.00
Appraisal (c)	\$ 3,850.00				\$ -	\$ 3,850.00
TOTAL LAND COSTS=	\$ 899,850.00	\$ -	\$ 680,000.00	\$ -	\$ -	\$ 219,850.00
2. FEES/PERMITS & STUDIES						\$ -
Permits (Pre-development)	\$ 75,000.00	\$ 75,000.00			\$ -	\$ -
Architectural Fees (Fees + Reimbursables)	\$ 470,000.00	\$ 375,000.00			\$ -	\$ 95,000.00
Engineering Fees, Permits, Studies (PCS)	\$ 50,000.00	\$ 50,000.00			\$ -	\$ -
Construction Permit Fees	\$ 75,000.00	\$ 75,000.00			\$ -	\$ -
TOTAL FEES/PERMITS & STUDIES=	\$ 670,000.00	\$ 575,000.00	\$ -	\$ -	\$ -	\$ 95,000.00
3. DIRECT CONSTRUCTION COSTS: (see breakdown)						\$ -
SubStructure	\$ 420,000.00	\$ 349,873.00			\$ -	\$ 70,127.00
Shell	\$ 1,050,000.00	\$ 250,000.00		\$ 200,000.00	\$ 180,000.00	\$ 420,000.00
Interiors	\$ 475,000.00	\$ 125,000.00		\$ 100,000.00	\$ 200,000.00	\$ 50,000.00
Services	\$ 800,000.00	\$ 600,000.00		\$ -	\$ 65,000.00	\$ 135,000.00
Equipment & Furnishings	\$ 350,000.00	\$ 90,000.00		\$ 100,000.00	\$ 111,775.79	\$ 48,224.21
Site Work - Onsite & Offsite	\$ 325,150.00	\$ 70,000.00		\$ 100,000.00	\$ 80,000.00	\$ 75,150.00
General Conditions	\$ 180,300.00	\$ 73,127.00			\$ 13,554.21	\$ 93,618.79
Subtotal=	\$ 3,600,450.00	\$ 1,558,000.00	\$ -	\$ 500,000.00	\$ 650,330.00	\$ 892,120.00
Contractor's Overhead & Profit	\$ 540,067.50	\$ -			\$ 50,000.00	\$ 490,067.50
Contingency	\$ 180,022.50	\$ -	\$ -		\$ -	\$ 180,022.50
TOTAL DIRECT CONSTRUCTION COSTS=	\$ 4,320,540.00	\$ 1,558,000.00	\$ -	\$ 500,000.00	\$ 700,330.00	\$ 1,562,210.00
4. INDIRECT CONSTRUCTION COSTS						\$ -
Construction Manager (consultant)	\$ 100,000.00	\$ 60,000.00	\$ 15,000.00			\$ 25,000.00
Builders Risk/Liability Insurance/ & Bond	\$ 160,000.00	\$ 150,000.00	\$ 2,500.00			\$ 7,500.00
TOTAL INDIRECT CONSTRUCTION COSTS=	\$ 260,000.00	\$ 210,000.00	\$ 17,500.00	\$ -	\$ -	\$ 32,500.00
5. START-UP COSTS						\$ -
Furniture /Artwork	\$ 25,000.00					\$ 25,000.00
TOTAL START-UP COSTS=	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00
TOTAL DEVELOPMENT COSTS=	\$ 6,175,390.00	\$ 2,118,000.00	\$ 897,500.00	\$ 500,000.00	\$ 700,330.00	\$ 1,934,560.00

Attachment - C

ID	Task Name	Start	Finish	2015				2016				2017				2018
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
1	1 General Requirements & Conditions DIV. #1	Fri 6/20/14	Fri 10/17/14													
15	2 Long Lead Procurement DIV. #1	Fri 10/17/14	Fri 12/11/15													
43	3 Mobilize on Site DIV. #1	Tue 7/22/14	Mon 8/4/14													
49	4 Site Grading and Demolition w/ UTILITIES DIV. #2	Thu 7/31/14	Thu 10/27/16													
63	5 Foundations DIV. #3 & #4	Thu 10/9/14	Fri 7/3/15													
78	6 Metal Works DIV. #5	Fri 8/7/15	Mon 11/28/16													
90	7 Form and Pour Concrete - Walls, Floors and Roof DIV. #3	Mon 6/1/15	Tue 4/25/17													
115	8 Metal Framing/ Work DIV. #6	Wed 12/16/15	Thu 7/14/16													
119	9 Masonry Work DIV. #4	Fri 7/17/15	Tue 10/4/16													
129	10 Roofing DIV. #7	Fri 1/1/16	Wed 4/27/16													
134	11 Window wall and Store front closures DIV. #8	Mon 9/19/16	Tue 12/6/16													
139	12 Building Finishes DIV. #9	Mon 10/3/16	Fri 3/31/17													
156	13 Elevators DIV. #10	Sun 12/13/15	Fri 4/7/17													
163	14 Plumbing DIV. #22	Mon 6/15/15	Tue 1/10/17													
171	15 Electrical DIV. #26	Mon 9/1/16	Fri 3/17/17													
183	16 Heating and Ventilating - AC Div. #23	Mon 5/1/17	Mon 7/3/17													
191	17 Specialties DIV. #20	Wed 1/4/17	Fri 6/2/17													
201	18 Complete Final Inspections DIV. #1	Mon 6/5/17	Tue 9/19/17													
207	19 Obtain certificate of occupancy	Mon 10/9/17	Thu 11/9/17													
208	20 Issue final completion documents including warranties	Thu 11/9/17	Tue 11/28/17													
209	21 Issue final request for payment	Wed 11/29/17	Fri 12/1/17													
210	22 MOVE IN	Mon 11/13/17	Wed 12/20/17													

PCS YOUTH AND FAMILY CENTER 4501 BROADWAY, LOS ANGELES Date: Tue 2/16/16 ATTACHMENT "C"	Task		Manual Summary	
	Soft		Start-only	
	Milestone		Finish-only	
	Summary		External Tasks	
	Project Summary		External Milestone	
	Inactive Task		Deadline	
	Inactive Milestone		Path Driven Successor Milestone Task	
	Inactive Summary		Path Driven Successor Summary Task	
	Manual Task		Path Driven Successor Normal Task	
	Duration-only		Progress	
	Manual Summary Rollup		Manual Progress	