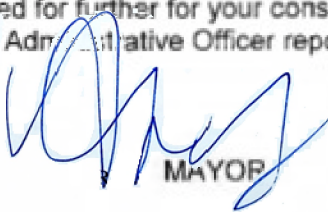


TRANSMITTAL		0150-009547-0001
TO The Council	DATE 1/10/17	COUNCIL FILE NO.
FROM The Mayor		COUNCIL DISTRICT
Project Management/Construction Management Services for the North Central Animal Shelter Renovation Project Transmitted for further for your consideration. See the City Administrative Officer report attached.  MAYOR (Ana Guerrero) MAS/RAS:05170063		

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

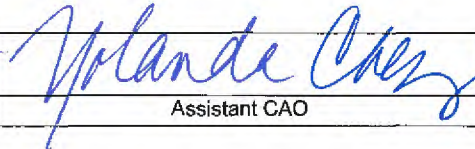
To: The Mayor	Date: 01-09-17	C.D. No.	CAO File No.: 0150-009547-0002
Contracting Department/Bureau: Bureau of Engineering		Contact: Allan Kawaguchi	
Reference: Board of Public Works action dated August 9, 2016; referred by the Mayor			
Purpose of Contract: To provide program and construction management services to the Bureau of Engineering on an as-needed basis for the North Central Animal Shelter Project			
Type of Contract: () New contract (X) Amendment		Contract Term Dates: September 1, 2016 through August 31, 2021	
Contract/Amendment Amount: None			
Proposed amount \$ -- + Prior award(s) \$ 6,200,000= Total \$ 6,200,000			
Source of funds: MICLA (General Fund)			
Name of Contractor: Swinerton Management and Consulting, Inc.			
Address: 865 South Figueroa Street, Suite 2690, Los Angeles, CA 90017			
	Yes	No	N/A*
1. Council has approved the purpose	X		
2. Appropriated funds are available	X		
3. Charter Section 1022 findings completed	X		
4. Proposals have been requested	X		
5. Risk Management review completed	X		
6. Standard Provisions for City Contracts included	X		
7. Workforce that resides in the City: %			
8. Contractor has complied with:			
a. Equal Employment Opportunity/Affirm. Action	X		
b. Good Faith Effort Outreach**	X		
c. Equal Benefits Ordinance	X		
d. Contractor Responsibility Ordinance	X		
e. Slavery Disclosure Ordinance	X		
f. Bidder Certification CEC Form 50	X		
*N/A = not applicable ** Contracts over \$100,000			

COMMENTS

In November 2000, the voters approved Proposition F, which authorized the issuance of \$532.6 million in General Obligation Bonds to finance the construction of eight animal shelters and 20 fire facilities throughout the City. Of the \$532.6 million approved by the voters, \$154.1 million was approved for the animal facilities.

The City Council initially approved a contract with Swinerton Management and Consulting, Inc. (Swinerton) in January 2002 (C.F. 01-2607) for a term through August 31, 2007 and a contract ceiling of \$5.5 million. In October, 2007, the Council approved the first amendment to the contract with Swinerton through August 31, 2011 (C.F. 07-2803). The first amendment extended the time of performance only and did not increase the compensation. The proposed second amendment also extended the time of performance and did not increase compensation. Swinerton was originally hired to provide Program Management/Construction Management (PM/CM) services for the Animal Bond Program. Swinerton was selected through a request-for-proposals process in 2001. In the requested third amendment, Swinerton will provide PM/CM services for the renovation project at the North Central Animal Shelter.

The eight original Animal Bond projects have been completed. The North Central Animal Shelter renovation project was originally funded and authorized through the Proposition F Animal Bond

		
MAS:RAS Analyst	Assistant CAO	City Administrative Officer

Program. However, funding for construction of the project was swapped for MICLA in the 2016-17 Adopted Budget since the Proposition F General Obligation Bond Program is in the process of being closed out. BOE indicates that Swinerton will be available to provide PM/CM services for the North Central Animal Shelter project which is expected to be completed around June, 2019.

As PM/CM consultants, Swinerton has six primary support duties as follows (including examples):

1. Program Management Support—Delivering a program delivery strategy to streamline and/or speed the design and construction process.
2. Program Management Control Systems—Delivering a program-wide work breakdown structure to provide a common means of coding and defining individual projects and cost categories; reviewing and validating original budget and schedule assumptions; delivering and maintaining a master program schedule summarizing key design, approval, bid, construction and occupancy milestones for projects; and, preparing independent construction cost estimates from schematic design to design development through to construction documents.
3. Design Management Support—Assisting in the update of existing City design guidelines; and, performing reviews of design documents at specific milestones to provide constructability and value engineering comments.
4. Construction Management Support—Delivering a construction document tracking system to track and record all construction management activities; assisting in the bidding of construction contracts; and, developing a change order tracking system.
5. Post Occupancy Support—Assisting in resolving any post-occupancy problems related to construction and building systems; and, providing construction support for resolving minor construction-related problems.
6. Program Management Plan—Assisting BOE in administering a program management plan to define roles and responsibilities of each of the stakeholders, define the goals and objectives for the Bond Program.

Through November, 2016, BOE reports that \$5.8 million of the current \$6.2 million contract ceiling has been expended on the Swinerton contract and that the balance of \$0.40 million will be expended by June 2019 when the North Central Animal Shelter project is expected to be completed.

There is a need for Council approval because the contract term as amended, would exceed five years from the date of execution of the initial contract, and the estimated or actual annual payments by the City exceed \$100,000, adjusted annually in accordance with the consumer price index (Los Angeles Administrative Code, Section 10.5 (c) 2).

RECOMMENDATION

That the Council, subject to the approval of the Mayor, approve and authorize the President of the Board of Public Works to execute Amendment No. 3 to Contract No. C-102635 between the City and Swinerton Management and Consulting, Inc, to extend the contract term for five years through August 31, 2021, in an amount not to exceed \$6,200,000, subject to the approval of the City Attorney.

FISCAL IMPACT STATEMENT

The proposed amendment extends the term of the Program Management/Construction Management contract between the City and the above-referenced consulting firm, without increasing the maximum compensation level of \$6,200,000. Expenditures associated with construction of the North Central Animal Shelter Renovation Project will come from MICLA (General Fund) authorized in the 2016-17 Budget.

DEBT IMPACT STATEMENT

In the 2016-17 Adopted Budget, \$15 million in Municipal Improvement Corporation of Los Angeles (MICLA) financing was approved for the North Central Animal Shelter project, with subsequent reauthorization in the 2016-17 First Construction Projects Report (C.F. 16-1114). The remaining \$400,000 in this contract, from the previously established \$6.2 million contract ceiling, will be paid from the MICLA Commercial Paper (CP) Program (Fund 298).

The issuance of MICLA bonds is a General Fund Obligation. The issuance of \$15 million in long term, fixed rate MICLA Bonds is approximately \$25 million in total cost. This amount includes the borrowing amount and interest of \$10 million, assuming a 5.5% interest rate over 20 years. These issuances would not cause the City to exceed its 6% non-voted approved debt ceiling.