



## AGENDA REPORT

**Meeting Date:** February 4, 2014  
**Item Number:** D-8  
**To:** Honorable Mayor & City Council  
**From:** Gisele Grable, Community Services Administrator  
**Subject:** THE COUNCIL OF THE CITY OF BEVERLY HILLS ACCEPTING CITY OF BEVERLY HILLS COMMUNITY CHARITABLE FOUNDATION DONATIONS FOR THE BEVERLY GARDENS PARK RENOVATION PROJECT IN THE TOTAL AMOUNT OF \$18,745 AND APPROPRIATING FUNDS THEREFOR

**Attachments:**

1. Funding & Donations for Beverly Gardens Park Project Renovation
2. Letter from CBHCCF Chief Executive Officer
3. August 20, 2013 Agenda Report

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### **RECOMMENDATION**

Staff recommends that the City Council accept donations from the City of Beverly Hills Community Charitable Foundation (CBHCCF) in the amount of \$18,745 received in support of the Beverly Gardens Park Renovation Project. The funds have been accepted by Jeff Kolin, Chief Executive Officer of the CBHCCF, and would be appropriated as follows:

	<u>FROM</u>		<u>TO</u>
\$18,745	40C10485-49308 Beverly Gardens Park CBHCCF Restricted Contribution	\$18,745	35060485-85040 Beverly Gardens Park Public Works Dept. CIP Construction

### **INTRODUCTION**

At the City Council's August 20, 2013 meeting (see attachment #2), the City Council provided authorization to "the City Manager to accept donations on behalf of the City in a cumulative amount not to exceed \$600,000 from the City of Beverly Hills Community Charitable Foundation. To date, the \$18,745 amount is above the \$600,000 already approved and appropriated. The \$18,745 is required for final payments towards the project and requires City Council approval.

In addition, this report provides information in regards to CBHCCF cash donations that were received specifically for the Beverly Gardens Park Renovation. The CBHCCF amended its by-laws in order for the Chief Executive Office to "accept gifts restricted to the renovation of Beverly Gardens Park in an unlimited amount" which has been done. Staff seeks City Council approval to accept the donation from the Foundation and appropriate the \$18,745 to the Beverly Gardens Capital Improvement Project (CIP) Account.

**DISCUSSION**

To date, the City previously received donations (\$131,255) through the Friends of Beverly Gardens Park prior to the final formation of The City of Beverly Hills Community Charitable Foundation (CBHCCF). Once the CBHCCF received its final designation as a non-profit, 501(c)3 from the State and IRS and from that point forward, donations for the Beverly Gardens Park Project were then given directly to the CBHCCF instead of the City. In addition to the \$131,255 received by the City, the CBHCCF has received \$700,896, for a final total of \$832,151 for the project to date (\$750,000 of which has been appropriated to the project costs).

**FISCAL IMPACT**

The receipt and approval of this \$18,745 donation will assist to defray costs associated with the CIP project for the Beverly Gardens Park Renovation.

Steve Zoet  
Approved By

A handwritten signature in black ink, appearing to read 'S. Zoet', is written over a horizontal line. The signature is stylized and cursive.

# **Attachment 1**

**Funding & Donations for Beverly Gardens Park Project Renovation**

Donations to City for BGPark from CBHCCF Charitable Foundation	\$ 517,546.00
Donations to City for BGPark from CBHCCF (approved by CEO)	<u>\$ 82,454.00</u>
	\$ 600,000.00
Amount above \$600K (to be appropriated/accepted by CC on 2/4/14)	\$ 18,745.00
Donations directly to City for BGPark	<u>\$ 131,255.00</u>
	<i>sub-total of donations</i> \$ 750,000.00
City Matching Funds for BGPark	\$ 750,000.00
City appropriation for BGPark	<u>\$ 100,000.00</u>
	<u>\$ 1,600,000.00</u>

# **Attachment 2**

CITY OF BEVERLY HILLS COMMUNITY CHARITABLE FOUNDATION

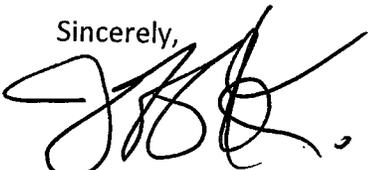
January 23, 2014

City of Beverly Hills  
Don Rhoads, Chief Financial Officer  
Administrative Services  
455 North Rexford Drive  
Beverly Hills, CA 90210

Regarding: Acceptance of \$183,350 in CBHCCF Donations for the  
Beverly Gardens Park Renovation Project

On behalf of the City of Beverly Hills Community Charitable Foundation (CBHCCF), and as the CBHCCF's Chief Executive Officer, I am accepting \$183,350 in cash donations received to date to be transferred to the City of Beverly Hills and restricted for the renovation of Beverly Gardens Park project. Pursuant to the CBHCCF's by-laws (Article VII: Section 1), I have the authority to accept cash donations in an unlimited amount for this project.

Sincerely,



Jeff Kolin

Chief Executive Officer for the Board of Directors of the  
City of Beverly Hills Community Charitable Foundation

# **Attachment 3**



## AGENDA REPORT

**Meeting Date:** August 20, 2013

**Item Number:** G-11

**To:** Honorable Mayor & City Council

**From:** Alan Schneider, Director of Project Administration  
Donielle Kahikina, Project Manager

**Subject:** APPROVAL OF THE AWARD OF CONTRACTS TO VARIOUS CONTRACTORS FOR THE BEVERLY GARDENS RESTORATION BLOCK #14 PROJECT CONTINGENT UPON ACCEPTANCE BY THE CITY MANAGER OF SUFFICIENT DONATIONS TO THE CITY; AND APPROVING PLANS AND SPECIFICATIONS THEREFOR; AND  
  
AUTHORIZING THE CITY MANAGER TO ACCEPT DONATIONS ON BEHALF OF THE CITY FROM THE CITY OF BEVERLY HILLS COMMUNITY CHARITABLE FOUNDATION AND TO EXECUTE PURCHASE ORDERS TO VARIOUS CONTRACTORS FOR THE CONTRACT WORK IN THE TOTAL AMOUNT OF \$1,255,871

**Attachments:** 1. Form of Contracts  
2. Bid package matrix

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### RECOMMENDATION

Staff recommends that the "City Council move to (1) approve the award of contracts to various lowest responsible bidders (listed below) for the construction of the Beverly Gardens Restoration Block #14 contingent upon acceptance by the City Manager of sufficient donations to the City"; (2) approve the construction contingencies listed below and delegate the authority to approve change orders to the Director of the department as provided in Beverly Hills Municipal Code Section 3-3-111; (3) approve the plans and specifications for the Project, dated July 26, 2013, with respect to design criteria; and (4) authorize the City Manager to accept donations on behalf of the City in a cumulative amount not to exceed \$600,000 from the City of Beverly Hills Community Charitable Foundation, for this purpose, and to execute purchase orders as follows:

1. Thomas Demolition, in the amount of \$206,327 for site & selective demolition, grading, spoils removal & temporary fencing; and approval of the construction contingency of \$20,000; and approval of Change Order #1 in the deductive amount of \$49,034;  
Approval of a purchase order in the amount of \$177,293 to Thomas Demolition for the work;
2. Trademark Concrete Systems, Inc. in the amount of \$27,211 for site concrete, curbs & reinforcement; and approval of the construction contingency of \$3,500;  
Approval of a purchase order in the amount of \$30,711 to Trademark Concrete Systems, Inc. for the work;
3. Bergelectric Corporation in the amount of \$37,903 for electrical & site lighting; and approval of the construction contingency of \$12,500;  
Approval of a purchase order in the amount of \$50,403 to Bergelectric Corporation for the work;
4. Kana Pipeline, Inc. in the amount of \$100,900 for site plumbing; and approval of the construction contingency of \$11,000; and approval of Change Order #1 in the deductive amount of \$39,110;  
Approval of a purchase order in the amount of \$72,790 to Kana Pipeline, Inc. for the work;
5. Plas-Tal Manufacturing Company in the amount of \$11,000 for structural steel, wire mesh & miscellaneous metal; and approval of the construction contingency of \$2,000;  
Approval of a purchase order in the amount of \$13,000 to Plas-Tal Manufacturing Company for the work;
6. California Commercial Pools Inc. in the amount of \$693,000 for water feature, equipment & waterproofing; and approval of the construction contingency of \$50,000;  
Approval of a purchase order in the amount of \$743,000 to California Commercial Pools Inc. for the work;
7. Masonry Concepts, Inc. in the amount of \$77,500 for precast coping; and approval of the construction contingency of \$5,000; and approval of Change Order #1 in the deductive amount of \$24,800;  
Approval of a purchase order in the amount of \$57,700 to Masonry Concepts, Inc. for the work;
8. Nevell Group Inc. in the amount of \$23,600 for plaster; and approval of the construction contingency of \$5,000;  
Approval of a purchase order in the amount of \$28,600 to Nevell Group Inc. for the work;

9. American Landscape, Inc. in the amount of \$98,736 for landscaping, irrigation & decomposed granite; and approval of the construction contingency of \$10,000; and approval of Change Order #1 in the deductive amount of \$26,362; Approval of a purchase order in the amount of \$82,374 to American Landscape, Inc. for the work.

## **INTRODUCTION**

The proposed Beverly Gardens Restoration project, as the first phase development addresses restoration of the "Lily Pond" and surrounding block (Block #14), between Beverly Drive and Canon Drive. The scope of work generally includes restoration of the lily pond; retention of the photo opportunity area (for the "Beverly Hills" sign); and new plantings at the water feature.

At the June 4, 2013 Study Session, the City Council provided direction to proceed with the bidding process. Matt Construction, engaged by the design team to assist with the preconstruction design effort was also engaged by the City to execute the bidding process using the construction management multi-prime delivery method resulting in the multiple bid submittals presented in this report.

On July 2, 2013 bids were received from the various pre-qualified subcontractors for the trade bid packages. However, for 6 of the bid packages only one bid was received. Consequently, on July 16, 2013 those bids were rejected and authorization was provided to re-bid the trade packages.

## **DISCUSSION**

### **Bid Process**

Through the services of the Construction Manager a prequalification procedure was utilized following the State guidelines. Among the items that the procedure required was construction experience in several recent, local, and similar completed projects. The process was advertised in the trade journals and Beverly Hills newspapers and the construction documents were posted on the City's website.

### **Bid Results**

On August 8, 2013, 17 bids were received from the various pre-qualified subcontractors for the 6 trade bid packages previously rejected.

The results of the individual trade bids are described in the attached bid package matrix. For the majority of the bid packages at least three bids were received, and in one case two bids were received. The construction manager highly recommends acceptance of the lowest responsible bidders, even where two bids were received because it is viewed as a reasonable cost for the work. Current economic circumstances in the construction industry within the greater Los Angeles area have lessened the number of viable subcontractors, and strong competition for the available subs has resulted in fewer bids received. Additionally, upon close review of the bids received, it was determined that there was either scope overlap between trades, or scope reduction that affected four of the bid packages. Therefore, the Construction Manager has recommended a deductive change order for the demolition bid package in the total amount of \$49,034, the plumbing bid package in the total amount of \$39,110, the pre-cast coping bid package in

the total amount of \$24,800, and the landscape bid package in the total amount of \$26,362.

A summary of the project costs is as follows:

Base Bid:.....	\$1,136,871	
Contingency:.....	\$119,000	
Testing and Inspection:.....	\$35,000	
Pre-construction Management.....	\$49,734	
Construction Management:.....	<del>\$291,501</del>	#254,501
	\$1,632,106	
		#1,595,106

Based on the analysis of the overall bid results and other project costs, the project (Block #14) can be completed as envisioned within the anticipated cost. Therefore, staff recommends acceptance of the base bid amount of \$1,136,871. This amount is less than the engineer's pre-bid cost estimate for the base bid work of \$1,181,885, prepared by construction manager, Matt Construction. The total construction contract amount consists of the base bid and contingency which totals \$1,255,871. The construction management contract is included separately on the August 20 agenda. The Pre-construction contract was approved previously and the Testing and Inspection contracts will be executed under the City Manager's authority as those services are needed.

While the total project costs are within the anticipated budget, staff will be meeting with the donor organizer on Monday, August 19 for a final accounting of all donated funds in order to confirm that 100% of project funds are on deposit with the City and its Foundation prior to the City Council action. A supplemental report will be distributed to the City Council and made available to the public on Monday to confirm the funding status.

Future Maintenance

The construction of this project will result in a net new asset to be maintained by the City, costs of which are not currently included in the City's budget. The estimated cost for annual maintenance once this project is completed is \$20,000. The lead donor has generously agreed to include endowment funds in the fundraising effort for this project. However, the endowment has not yet been raised in this initial fundraising period. One option would be to earmark first-year maintenance costs from funds to be raised through January 2014. However, if those funds are not raised, the City will be responsible for the estimated \$20,000 of net increased maintenance costs for the block and an appropriation of funds request would be brought back to the City Council in January.

Charitable Foundation Acceptance

Staff anticipates that sufficient donations to the City and the City of Beverly Hills Community Charitable Foundation will be confirmed to be received by August 19, 2013 in order to fund the contracts and corresponding purchase orders. As noted, a supplemental report will confirm this prior to the City Council meeting. Additionally, the City of Beverly Hills Community Charitable Foundation 501c(3) will need to convene in order to formally accept the final donations in the Foundation's possession and then formally donate those funds to the City. The City will then need to formally accept the donations for this project. In order to meet the City Council's requested timeframe for completion of this project, this award of contract has been structured so that the City Manager is given the authority to accept the donations on behalf of the City, and so that the award of contracts is contingent upon the City Manager accepting sufficient

donations for the project. The City Manager authority to accept the donations for the Beverly Gardens project on behalf of the City is capped at \$600,000 and limited to donations which contain no restrictions or that contain restrictions that are consistent with prior City Council direction. The cap is based on the amount needed in donations to supplement the available funds from the City contribution.

The bid documents specify a five month completion period for the work. The anticipated project start date is August 26, 2013 with substantial completion in January 2014.

A contingency for each of the subcontractors has been included in each of the individual purchase orders, as described in the attached bid package matrix, to cover unforeseen conditions. The total contingency for the project is \$119,000. Expenditures from the contingency are made utilizing the Change Order process in the Municipal Code upon adequate written justification and substantiation.

**FISCAL IMPACT**

The total construction contract amount of \$1,255,871 (including the contingency) is within the anticipated budget for this project. That budget includes up to \$750,000 of City matching funds. However, all additional project funds are being donated through the Friends of Beverly Gardens Park. The supplemental staff report to be distributed on Monday, August 19 will confirm the total funding availability.

Don Rhoads  
Finance Approva



Mahdi Aluzri  
Approved By

