Committee Members Present:

Maria Cardenas, Office of the City Administrative Officer (CAO), Chair  
Gerry Miller, Chief Legislative Analyst (CLA)  
Chris Espinosa, Mayor’s Office  
John Lewis, Los Angeles Zoo

Others Present:

Cheryl Banares, CLA; Claudia Aguilar, CAO; Renee Weitzer, Council District 4; Nick Pendorf, General Services Department (GSD); Jeb Bonner, Connie Morgan, Greater Los Angeles Zoo Association (GLAZA); Rebecca Abano, Lynette Howlett, Deborah Weintraub, Public Works Bureau of Engineering (BOE); Kyla May, Darryl Pon, Los Angeles Zoo.

Ms. Maria Cardenas called the meeting to order at 10:05 a.m.

1. Minutes for Approval – Meeting of February 28, 2008

Mr. Gerry Miller moved to approve the Zoo Bond Oversight Committee (ZBOC) special meeting minutes of February 28, 2008. Mr. John Lewis seconded and the motion passed without objection.

2. Bureau of Engineering Program Manager Status Report

Ms. Rebecca Abano reported on the progress of the Zoo’s Capital Improvement Program (CIP).

Master Program Budget

Through the end of March 2008, $99.6M has been expended of the $169M approved budget. The last revision to the program budget was approved in May 2007, with a program contingency of $500K, which has not been spent.

Only one outstanding payment of $195K is left on the Gorilla Exhibit project for the contractor, AKG. This amount is being held by the Office of Contract Compliance for issues concerning one subcontractor’s wages. A request to process the payment will be done this month; so next month a zero balance will show owing to AKG. Also by next month, Ms. Abano’s Bureau of Engineering (BOE) staff will have put together all the savings allotted and all the accounts. As the project has been closed out, inconsistencies have been found with the cost reporting from a long time ago. The savings may possibly be increased to $1.9M.
BOE is also working on a cost-to-complete, to be submitted to the Committee. This cost-to-complete will revise the project budgets for the Pachyderm Forest, Gorilla Exhibit, and the Golden Monkey Exhibit projects. Hopefully by that time, all of the Gorilla project will be completed, all of the Golden Monkey Exhibit costs will be in as well, and all the hard bids will have been sent in for the Pachyderm Forest project. A new Class A estimate will be provided to BOE and BOE can get a harder cost to complete. BOE will include funds from the recent property sale.

Ms. Cardenas asked if the cost-to-complete would include the Reptile and Insect Interpretative Center and the Rainforest of the Americas projects. Ms. Abano replied yes, but right now she doesn’t foresee any revisions on those two projects.

Mr. Gary Moore stated that the Mayor’s budget has proposed to reduce two positions for this program. He stated that he did not know if the Mayor’s budget will change any of the Municipal Improvement Corporation of Los Angeles (MICLA) funding on any of the projects. Mr. Chris Espinosa stated that he knew there had been discussion about the Rainforest of the Americas project being deferred, which he wanted to discuss with the Committee during that agenda item. He also wanted to find out about Proposition CC and obligations to spend Proposition CC funds in a certain amount of time.

Ms. Cardenas asked Mr. Moore if those positions were filled. Mr. Moore answered no, they are vacant now. Ms. Cardenas asked if the BOE Proposition CC positions went from seven to five. Mr. Moore replied that was correct.

Master Program Schedule

Ms. Abano continued. The current Master Schedule, which was approved in June 2006, shows overall completion in September 2010. BOE is currently monitoring the project schedules for the projects still in design, which are the Reptile and Insect Interpretative Center, the Rainforest of the Americas, and the Pachyderm Forest projects.

BOE has requested the architect, the Portico Group, to submit a revised schedule on the Rainforest and Pachyderm Forest projects, since Portico has slipped on some of their design delivery dates initially proposed in January 2008. The Reptile project may require an extension, based on the January letter. Since then, the architect has been meeting all the dates proposed in January.

Status of Active Projects

Pachyderm Forest

The Pachyderm Forest is the priority project and is in both design and construction. Portico Group, the project’s design architect, is completing the Department of Building and Safety’s (BAS) plan check process. Plan check approval will hopefully be complete by the end of the current week.
BOE is assisting Portico in the plan check process and anticipates bidding Phase Three of the project in late May or early June 2008. The project’s costs and schedule are being closely monitored.

Mr. Espinosa mentioned that he noticed completion of a beautiful wooden ramp area while at the Zoo recently; he asked if this was part of the Pachyderm Forest. Ms. Abano replied no, the ramp is part of the Golden Monkey Exhibit project.

Ms. Cardenas asked if the Phase Three construction bid would be awarded at the end of May 2008. Ms. Abano replied no, the bid process would be started then. Ms. Abano stated that construction is anticipated to start in October 2008 or sooner if possible.

Ms. Abano continued with her report. The General Services Department (GSD) continues with construction on Phase Two of the Pachyderm Forest: excavation, grading and utility installation. Issues with bids received on certain subcontracts, specifically caging, life support and landscape have caused delays. All of these bids came in higher than BOE’s Class A estimate, in some cases more than double. Caging and life support vendors to the City of Los Angeles are single source vendors, which means single bids are received. Some flexibility can be had, such as the City being able to negotiate the final subcontract price. For instance, on life support BOE was able to negotiate with Aquatic Equipment and Services, Inc. (AES). Their original bid was $645K; BOE’s estimate was $300K. After meeting with them, the scope was clarified and they revised their bid to $277K, within budget. The vendor is brand new to the City and didn’t fully understand the scope of work for Phase Two. Once that was clarified, they were able to reduce their bid.

The initial bid for the elephant barriers and the China caging was $828K, and BOE’s estimate was about $450K. After meetings to clarify the scope, the revised bid is approximately $700K. BOE assisted GSD in negotiating with the contractor on subcontractor issues stemming from the Gorilla Exhibit project. Dollars are still being held from AKG; the Office of Contract Compliance has slapped them with wage restitution and penalties relevant to how labor is paid.

A Thru Z is from Arizona and brought in labor from Arizona. In California, not only prevailing wage must be paid, but also living expenses. In this case, A Thru Z was paying for the laborers’ housing rather than giving them a check directly, which violates California labor laws. This has now been resolved and it’s hoped to issue a Notice to Proceed (NTP) by the following week.

Ms. Weitzer asked if it increased the cost for labor to come from out state and if their living expenses had to be paid. Ms. Abano replied yes. Mr. Moore asked Ms. Abano to confirm that under the prior contract, the Gorilla bid was a low-bid contract. So at the time the bid was submitted, it was unknown where the labor source was coming from. They were the lowest bid for the Gorilla project.
Ms. Weitzer asked if labor couldn’t be found locally. Ms. Abano replied that was finally resolved; for the Pachyderm Forest, A Thru Z will fabricate and use its own labor in Arizona. Then when the caging, etc. is brought on site, local labor will be hired from the hiring hall and paid prevailing wages, so the California required living expenses and stipend won’t be an issue.

Ms. Cardenas asked what the Phase Two budget was globally, and the difference, if any. Ms. Abano replied, that as she noted earlier, a cost to complete will be prepared of all the dollars from all the subcontract bids that GSD has received. Additionally, a Class A estimate will be prepared. The Portico Group has sent a revised set of plans, because other issues have arisen in other parts of the project that are to be bid out. The architect has revised the plans, so the Class A estimate is accordingly being revised.

Mr. Moore asked what budget Portico was given to design to. Ms. Abano replied that Portico was asked to design a $25M exhibit. Ms. Cardenas asked for a breakdown of the project’s phases for the entire project budget of $38M. The Committee discussed this budget breakdown briefly. Ms. Abano stated that BOE had a value engineering exercise; a lot of this doesn’t require cutting scope, just changing design. Mr. Moore added that one of the controller’s audit points was that BOE needs to hold the consultant to what they said they would design to, and to keep redesigning to reduce the costs, unless the City wants to add money. The Committee continued to discuss this briefly.

Ms. Abano continued with her report. Because BOE was unable to issue NTP on the elephant barrier installation in early March 2008, this will delay moving Billy the elephant. The activity takes about twelve weeks to install the elephant barriers and the temporary shelter. It is anticipated to move Billy in late July 2008, instead of May.

BOE is also assisting the Department of Water and Power (DWP) with the design and construction of TS1A, the 750KVA transformer that will replace the existing transformer currently located in the elephant barn. This should be complete by October 2008. The existing barn can’t be demolished until the existing transformer is replaced and Billy has been moved. Ms. Weitzer asked for confirmation that Billy would be able to be moved in late July. Ms. Weitzer asked when the pending court case would be. Mr. Lewis replied that the first hearing would be held in May 2008. The Zoo’s attorneys have filed a motion for a summary judgment, so if that is obtained, it’s done, and if not, the trial moves forward. Mr. Lewis stated he hasn’t heard a trial date.

Ms. Weitzer stated she hoped that Billy would have been moved by the time the trial happens. Mr. Moore asked if additional funds could accelerate Billy’s move. Ms. Abano replied no, it’s the caging. Mr. Moore stated that he wanted everyone to know that the time couldn’t be made up. Ms. Weitzer asked if by barriers, it was meant caging or fencing. Ms. Abano replied it was the fencing, the installation of the actual elephant barriers. Ms. Weitzer asked if, given the estimate cost, any other fencing could be used that would be less money. Mr. Lewis stated that this is the fencing style the Zoo wants. Ms. Cardenas asked why this couldn’t move forward today.
Ms. Abano asked Mr. Nick Pendorf if the bond was being waited on. Mr. Pendorf replied that technical issues were still to be resolved, via telephone conferences. The NTP will be issued as soon as the issues are resolved. Ms. Cardenas asked if the NTP would wait for next month’s meeting. Ms. Abano replied no. Mr. Pendorf stated that everything that can has been done to move these difficulties along.

**Rainforest of the Americas**

Portico is in the construction document phase. Bidding is anticipated in November or December 2008, based on the architect’s current stage in design. As previously indicated, this project’s design will extend the overall master schedule by six months. The project will be completed in March 2011, in lieu of September 2010.

Mr. Espinosa stated that he had heard, during discussion of ideas to save MICLA funds, a suggestion to potentially defer this project. He wanted to make the Committee aware of this, and also wanted to see, should this decision be made, how this might effect the Proposition CC allocation, which is $14.5M. Mr. Moore stated that the project is anticipated to be bid in November 2008, but the money is not there to go up; he asked if the project would be slipped by one year. Ms. Abano replied six months. Ms. Cardenas stated that the project wouldn’t be able to go to bid in November 2008, because full funding is not available at this point to award the construction contract. MICLA funding of $5M is not included in the Mayor’s budget, which would complete the project’s funding. Mr. Moore inquired if the project delay would be at least until July 2009. Ms. Cardenas replied unless the City Council adds funding.

Ms. Cardenas stated that canceling a project altogether would be very problematic, because general obligation bond monies have already been spent on this project. Also, the intent of the bond measure would have to be examined, to see if it was a promised project. Ms. Cardenas addressed the necessity of keeping the City’s word to the voters by moving aggressively to complete the bond measures. Mr. Espinosa stated that he heard that the project wasn’t to be cancelled, but deferred. His main concern is to not mess around with the $14.5M and he asked if any timeline existed to expand the project. Ms. Cardenas replied that this measure didn’t include a seven-year promise to the voters, as did Propositions F and Q.

Mr. Miller asked how the MICLA would be funded. Ms. Cardenas replied commercial paper. Mr. Miller stated that the contract could be awarded without any cash in place, as long as authorization was gotten. He asked if the intent is to push out the project to 2010, can the Proposition CC money be spent first and the MICLA money spent last, so no debt service payments are incurred until 2010. Ms. Aguilar replied that was the order planned to spend the money, so once Council approves it, money isn’t drawn until actual bills are presented.

Ms. Cardenas noted that the two positions deleted from BOE’s budget are the positions that would have worked on this project, so there might be a budgetary impact.
The Committee continued speculation on managing the various fund sources in order to bring the Rainforest project to fruition.

Reptile and Insect Interpretative Center

Portico has submitted their 100% construction documents, which are now undergoing BOE constructability review and BAS plan check. Bidding the project is anticipated by late June or early July 2008. Mr. Espinosa asked where this project would be located in the Zoo. Ms. Abano replied it will be where the existing old polar bear and alligator exhibits are, and the project does include a green roof and green walls. Mr. Espinosa asked if a grant had been gotten. Ms. Abano replied no, but these elements have been worked out as part of the project budget.

The Golden Monkey Exhibit

Construction is substantially complete, except for a Certificate of Occupancy, which hopefully will be obtained shortly. DWP is completing the TS14 transformer replacement. They have received sign-off from BAS, and are doing hookups and testing, to hopefully be completed next week.

The exhibit’s pathway was opened the previous Friday, which is part of the project. Ms. Cardenas asked what date the Certificate of Occupancy was expected. Ms. Abano replied that DWP is testing, so hopefully within the next few weeks.

Ms. Abano concluded her report.


Mr. Lewis reported that a team was in China last month to address the question of pandas and monkeys for U.S. zoos. He just received an email from the Zoo’s contact; they are sending an updated agreement that will reflect the current timeline. As soon as Mr. Lewis receives and signs it, it will go back, which will then allow a date for the animals to be established.

Ms. Weitzer asked how many animals would be received. Mr. Lewis answered three; one male and two females. Ms. Cardenas asked how many months it would take. Mr. Lewis answered that the monkeys could be on site within two months, but then they would have to be quarantined for two months.

Ms. Weitzer asked what part of China the animals would be coming from. Mr. Lewis replied that the animals are from the Beijing Wild Animal Park on the western outskirts of the city. The Park has a breeding program for the golden monkeys similar to the Zoo’s condor program.
4. Greater Los Angeles Zoo Association (GLAZA) to Report on Capital Improvement Project Fundraising Activities

Ms. Connie Morgan reported that fundraising for the Pachyderm Forest is now beginning to come to an end. The funding goal was to deliver $4.5M, which means GLAZA will have to raise above that in order to do that. In April 2008, a $50K gift pledge was received from a trustee and a $250K gift is being negotiated, which should be signed very shortly. Ms. Cardenas asked if the City had the money. Mr. Jeb Bonner added that the fund transfer should start by the end of the next week and be finished by the end of the following week.

Public Comment

There was no public comment.

Ms. Cardenas adjourned the meeting at 10:42 a.m.

Minutes prepared and submitted by Ms. Kyla May of the Los Angeles Zoo’s Planning and Development Division, and reviewed by BOE, CLA, CAO, and the Zoo.