Committee Members Present:

Ray Ciranna, Interim City Administrative Officer (CAO), Chair
Gerry Miller, Chief Legislative Analyst (CLA)
Chris Espinosa, Mayor’s Office
John Lewis, Los Angeles Zoo

Others Present:

Claudia Aguilar, Maria Cardenas, CAO; Renee Weitzer, Council District 4; 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.

Mr. Ray Ciranna called the meeting to order at 10:07 a.m.

1. Minutes for Approval – Meeting of April 22, 2009

Mr. John Lewis moved to approve the Zoo Bond Oversight Committee (ZBOC) special meeting minutes of April 22, 2009. Mr. Gerry Miller seconded and the motion passed unanimously.

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 April 2009, $106.5M has been expended of the $172M approved budget. The last revision to the Program Budget was approved in September 2008, increasing the Pachyderm Forest project budget from $38.7M to $42M. Regarding funding source revisions, Ms. Abano referred the Committee to pages 5.0-5 to 5.0-8 of the Monthly Report.

On January 28, 2009, the City Council approved continuing the Pachyderm Forest project; part of the approval included GLAZA providing the debt service to the Municipal Improvement Corporation of Los Angeles (MICLA) funds for this project. The proposed revisions show all the MICLA funds consolidated into one funding source called GLAZA/MICLA. No increase has been made to the project budget; this change only reflects how funding sources are shown in the Monthly Report.
Regarding the Reptile and Insect Interpretative Center; when MICLA money was applied for, they like to round it off, so the $3.6M has been rounded off into $3,650,000, instead of $3,616,000, a $33,900 difference. So as not to increase the project budget, but to balance it, BOE reduced the Proposition CC earnings originally put into the project. No change has been made to the project budget or to the overall project, just dollars here and there to fix the funding sources. Ms. Abano asked the Committee to approve these revisions to the Master Program Budget.

Mr. Lewis asked where the Proposition CC funds went. Ms. Abano replied the funds went back into the pot of Proposition CC interest earnings; BOE is not completely reporting all the Proposition CC interest earnings because the figure changes. Ms. Maria Cardenas added that it's an allocated interest earning. Ms. Renee Weitzer asked if the amount can be used for another project. Ms. Cardenas replied yes, millions of dollars in interest earnings have been moved into the $172M program budget, but not this $33K.

Mr. Miller moved to approve the revisions to the Master Program Budget. Mr. Chris Espinosa seconded the motion and it passed unanimously.

Master Program Schedule

At the April 22, 2009 meeting, the Committee approved revisions to the Master Program Schedule with overall completion in December 2011. A current schedule diagram is in Section 2 of the Monthly Report. No changes have been made at this time to the Master Program Schedule.

Status of Active Projects

The Los Angeles Zoo’s Capital Improvement Program (CIP) has three active projects left to complete: the Pachyderm Forest, the Rainforest of the Americas, and the Reptile and Insect Interpretative Center.

Pachyderm Forest

General Services Department (GSD) is nearing completion of Phase Two construction. They are completing the pool and life support systems for the Elephants of China area. These items left are work being performed by subcontractors.

AKG / Saifco Construction Joint Venture continue Phase Three with grading excavation and have also started foundation work on the elephant barn and the India waterfall. Phase Three is on schedule.

BOE is also processing Contract Amendment Five to the Portico Group contract. As reported last month, this amendment adds $97,414.00 in fees and extends their contract to February 2011. The additional fees do not increase the budget, but are already included in the current approved budget for the Pachyderm Forest.
Reptile and Insect Interpretative Center

The project is in the bid and award phase. The Board of Public Works (BPW) is processing the award for construction. Awarding is anticipated within the next two weeks and construction is anticipated to start in July 2009. The apparent lowest bidder, Royal Construction, is $2.6M below the City Engineer’s estimate.

Rainforest of the Americas

Ms. Abano distributed an 11” x 17” sheet showing the current design of the project. Last month, BOE received a letter from the project’s architect stating that design could not be continued, because they are $2M above the design limit of $14M. The architect was asked to design the project not to exceed $14M in construction cost. The architect suggested in their letter that they would like to take away the tapir exhibit. The project’s site is on a hillside west of the Pachyderm Forest site.

Ms. Abano referred to a graphic board of the project, describing the placement of its various exhibits. She stated that a letter had been sent to the architect, suggesting as Option A that the jaguar exhibit be value-engineered. Part of the jaguar exhibit design was to remodel an existing powerful animal holding building to accommodate jaguars, and to install a netted enclosure to hold jaguars. Option B, which is the architect’s suggestion, is to take away the tapir exhibit, which is in the middle of the project.

BOE recommends removing the jaguar exhibit, which is the Zoo’s preference. Reworking the existing building for jaguars is very difficult and doesn’t provide a true safe solution for animal management, plus it is more costly than the tapir exhibit, and brings the budget back down to $14M.

Option C items would be to change the material of the walkway, changing a lilypond exhibit, and changing the chillers that cool the water for the river otter exhibit. BOE recommends Option A. The architect has also said any revisions may require additional payment for design. Mr. Espinosa asked if this was because design work has already been done. Ms. Abano replied yes, the project is now at 50% construction documents. The design is almost complete; the architect needs to finish the drawings and is close to the stage where plans are turned in for plan check. The project is in final design stages right now. Mr. Espinosa asked whether the additional fees would be to clean up the construction documents to delete an exhibit. Ms. Abano replied yes, to delete, clean up and ensure good bid documents.

Mr. Miller asked if the architect’s contract specified design of a $14M exhibit, and they designed a $16M exhibit, why are they charging more to do what the contract told them they were supposed to do. Ms. Abano responded that while the architect has said changes could cost additional fees, they have not specified what the additional fees are. Ms. Deborah Weintraub noted that the architect has stated that delays in completing the drawings have cost the architect and their sub-contractors money. A proposal hasn’t been received from the architect.
Ms. Weintraub stated she assumes it’s mostly delay costs. Mr. Miller asked if the architect is asserting that the City caused the delays. Ms. Weintraub replied yes, the architect has stated that the City caused the delays, which cost them money, because the project has gone much longer than they originally anticipated when they bid the project. Ms. Weitzer asked how the City caused the delay. Ms. Abano replied that during the design process, the architect anticipated being done with design in about a year and a half, and it’s been over two years now that a complete design hasn’t been received, and elements are still being changed.

Ms. Weitzer asked if the designer was the architect. Ms. Abano replied yes. Ms. Weitzer asked if they caused the design delays. Ms. Abano answered that design is a back-and-forth process; after the architect delivers a document, it has to be reviewed and decisions have to be made. The review process has taken BOE longer than the architect anticipated. Ms. Weintraub stated that the architect has stated they are quite willing to complete the drawing as it is currently shown, but then they want to do a lead with the $14M contractual construction cost limit. Discussions have happened that, depending on when the project gets bid, consider that lower bids have recently been received. This is a risk maybe worth considering taking, which is a discussion point, when the project might be taken out to bid.

Ms. Abano noted that the Committee needs to aid on this decision with the three options. One option is to complete the design the way it is, without adding any fees, but relieving the architect of the $14M cost limit. At the time the design is finished, Ms. Abano can get a true Class A estimate. The current estimates are based on design development estimates, made when the market was really high. It is difficult to be sure if the construction cost will be $2M over, or less than $2M. The estimate was based on incomplete drawings, so a lot of factors impacted the numbers now being used.

Mr. Espinosa asked for confirmation that the construction cost limit is $14M, and the construction budget is $17M, so the difference is the contingency. Ms. Abano replied yes, that’s contingency. Mr. Espinosa asked how much the design development cost estimate was for the jaguar exhibit. Ms. Abano replied a little over $2M.

Mr. Lewis noted that the Rainforest project has been extremely difficult, mainly because of the site location. This is probably the third time the design has been reviewed to delete items to meet the budget. The architect is probably gun-shy at this point, because they have done estimates, which the City turns around; the back and forth has caused the architect to attempt to meet the project to the budget right now, so that no more cuts will need to be made and the project redesigned. The architect is charged to design a $14M project, and is telling the City now at 50% documents, that they are over. Starting to put in the caging, the life support, all the details of the exhibits, the closer to 100% documents, the more real the estimates are and the more changes are seen. From the Zoo’s perspective, the Zoo is trying to meet the $14M project; if the tapir exhibit is removed, it leaves a huge hole in the middle of the experience. That’s why the Zoo has opted to go the other way, and then once the project is done, focus elsewhere for a new jaguar facility.
Ms. Weitzer asked if the jaguar exhibit could go in another place in the Zoo. Mr. Lewis replied yes, and described the hillside site of the project, which has several abandoned aviaries and small animal exhibits from the Zoo’s original opening. This allows the Zoo to clean up the site and use that space; because the area is on a hillside, it has been a real difficult site to design to.

Ms. Abano outlined the project’s area on a board of an old aerial photograph of the Zoo. Mr. Lewis pointed out the old abandoned exhibitry.

Ms. Weitzer stated that she doesn’t feel knowledgeable enough to give an opinion, and suggested going with the Zoo Director.

Ms. Cardenas stated that the project budget is $21M, and it assumes an additional $8M in additional MICLA funds at the time the project is ready to go to construction, which would probably be next fiscal year. Mr. Lewis stated that since these funds are probable, it makes more sense now to get the project back into budget. Ms. Cardenas stated that she thinks there’s a fair chance that the project won’t require the additional MICLA if the scope is reduced, if the bids come in low, if savings are found from the Reptile and Insect Interpretative Center project, and if the MICLA for this year can be reprogrammed. Ms. Weitzer said that it sounded as if the project should be reduced. Ms. Cardenas replied that if the project is reduced, the gap is a lot smaller than it is now. The Committee briefly discussed MICLA funding and the budget gap.

Ms. Weitzer asked if the project had any glitz to it, or if it was more natural; if the project had any glitz that could be taken out. Ms. Abano replied that the project has had a lot of cost reduction, the project was being cut as it went. Cut elements were the free-flight macaws and a peccary exhibit. Ms. Weitzer again asked what the glitz was in the project. Mr. Lewis replied that the glitz was the project’s entryway, which is still natural. Ms. Weitzer noted that she thinks the project needs to get away from being like Disneyland, and resemble more natural habitats. Ms. Abano described the project as simulating a rainforest, with a lot of landscaping, not a lot of glitz, simple wood structures.

Mr. Lewis noted that by glitz, he means a display that will have a ‘wow’ impact. The entryway is a stilt house like those encountered along the Amazon; at the lower level, the viewer will see fishes and amphibians, and possibly crocodiles that would occur in that area. Then viewing continues through the aquariums into the giant river otter exhibit, which are a fascinating species. The tapirs and the smaller animal exhibits are up on the hill. The project will be built into the hillside and will be pretty natural. An exhibit of harpy eagles, one of the world’s largest eagles, will be to the right of the stilt house. Ms. Weitzer asked if alligators would also be featured. Mr. Lewis replied possibly, but not North American alligators.

**Mr. Espinosa moved to approve recommendation number two for the design contract of the Rainforest of the Americas. Mr. Miller seconded the motion and it passed unanimously.**
Ms. Abano concluded her report.


Mr. Lewis stated that unfortunately, last month the Zoo received a fax from the Chinese government that essentially said they would not send golden monkeys. They didn’t give any explanation. An agency over the agency that the Zoo has been working with was the one that made the decision. At that point, Mr. Lewis met with the Mayor and his senior staff to recommend that the Zoo stop pursuing golden monkeys and move quickly to another species to occupy the exhibit. This situation is still part of stuff going on about Chinese wildlife in general and the relationships with the U.S. government, but the Zoo got wrapped up in it and six years is long enough to wait.

The Zoo is looking at keeping the exhibit a Chinese display, so contacts have been made to install a leaf-eating monkey like the golden monkeys. A pair has been located that is probably available right now; it’s been recommended, but the Zoo needs to confirm this with the institution. The Zoo is looking at making the space a mixed-species exhibit, so in addition to the monkeys, pheasants and maybe a small species of deer will be added, so the space can really be occupied. If everything goes well, it will take about 45 days to get the animals in, quarantine them, and get the new interpretive program up. The new signage will be the only change required of the exhibit, although since the exhibit will focus on Chinese species, the Zoo is considering using some of the golden monkey signs as representatives.

Mr. Lewis asked if the Committee needed to take any action on this. Ms. Aguilar replied that the CAO’s office asked the City Attorney’s office for an opinion on whether this would trigger any repayment of Proposition CC or MICLA funds. The City Attorney’s office replied no, the bond documents describe the funds as for the middle Zoo. This wasn’t a specified project in the bond, but was added later; so as long as the exhibit is used and nothing was built that won’t be used, the exhibit may used with another species. Ms. Cardenas asked if any money could be gotten back from China, such as a licensing or holder fee. Mr. Lewis replied no payment had yet taken place, since the monkeys weren’t here. The only expenditure regarding the golden monkeys was funding a Chinese delegation visit four years ago. Ms. Weitzer asked where the new monkeys would be coming from. Mr. Lewis replied another Association of Zoos and Aquariums (AZA) institution. He added that he would have a better update next meeting on the species chosen.

4. Greater Los Angeles Zoo Association (GLAZA) to Report on Capital Improvement Project Fundraising Activities

Ms. Connie Morgan reported that in the last few months, GLAZA has taken in about $250K for the Pachyderm Forest, including a gift yesterday; and other incoming gifts should be closed in the near future.
Ms. Claudia Aguilar stated that the contract has been executed between the City and GLAZA for the $14.5M MICLA contribution.

**Next Meeting:** June 25, 2009

**Public Comment**

There was no public comment.

Mr. Ciranna adjourned the meeting at 10:35 a.m.

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