Committee Members Present:

William T Fujioka, City Administrative Officer (CAO), Chair  
Lynne Ozawa, Chief Legislative Analyst (CLA)  
Chris Espinosa, Mayor’s Office  
Denise Verret, Los Angeles Zoo  

Others Present:

Maria Cardenas, Claudia Esparza, CAO; Pete Echeverria, City Attorney’s Office; Nick Pendorf, General Services Department (GSD); Jeb Bonner, Greater Los Angeles Zoo Association (GLAZA); Catherine Doyle, Marlene Goodman, Public; Charley Mims, John Olinger, John Reamer, Public Works Bureau of Contract Administration (BCA); Rebecca Abano, Gary Moore, Brad Smith, Public Works Bureau of Engineering (BOE); Kyla May, Darryl Pon, Los Angeles Zoo.  

Mr. William Fujioka called the meeting to order at 10:05 a.m.  

1. Minutes for Approval – Meeting of June 29, 2006  

Ms. Denise Verret moved to approve the Zoo Bond Oversight Committee (ZBOC) special meeting minutes of June 29, 2006. Ms. Lynne Ozawa seconded and the motion passed without objection.  

2. Bureau of Engineering Program Manager to Report on the Bid and Award of the Gorilla Exhibit Project and Related Budget Actions  

Ms. Rebecca Abano reported on the progress of the Zoo’s Capital Improvement Program (CIP). Seven projects are active; three projects are in design, one is held in the bid and award phase, one is in construction, and two are in the close-out phase.  

Program Budget  

The Committee approved the revised program budget of $169M at the June 2006 meeting; no changes have occurred since then. To the end of June 2006, $80.9M has been expended of the $169M. A detailed cost report is found in Section Three of the BOE Monthly Report.  

Master Schedule  

The Committee approved the revised Master Schedule at last month’s meeting. The approved Master Schedule shows the overall program completing in September 2010.
Projects in Design

Pachyderm Forest

Ms. Abano reported that work is ongoing to complete design while demolition and preliminary construction are being performed to expedite completion. The expansion design is expected to be complete by June 2007.

The Board of Public Works (BPW) awarded construction to the General Services Department (GSD) on July 21, 2006 and a Notice to Proceed (NTP) was issued the same day. The scope includes demolition and preliminary construction. In order to perform demolition at the Pachyderm Forest site, the reptiles and three small South American animals must be relocated to a temporary facility. GSD has begun work on renovating the old animal hospital into a temporary facility to house the reptiles until the new facility is built.

As directed by the Committee last month, BOE has been looking at alternative delivery methods for construction. Lengthy discussions have taken place with the architect and other consultants. Ms. Abano presented the Committee with four options:

Option One is the current method, with GSD doing the demolition and preliminary construction, while the architect is completing the entire expansion design. Once the architect is complete, the project goes out to bid, after which phased construction begins. One portion of the exhibit will be built at a time, with the elephant rotated from yard to yard as the portions are completed.

Option Two is the same as Option 1, except the Zoo will relocate the Billy the elephant to a different area.

Option Three is a new option for discussion; GSD will do the entire construction of the project. As GSD is doing Phase One, the architect will complete the design of Yard Number Three. Once the architect has completed design of Phase Two, GSD will build it. Phase Two consists of Yard Three plus the Bull Barn addition. This will allow Billy the elephant to have a barn during completion of Phase Three. While GSD is building Phase Two, the architect will complete design of the rest of the exhibit. This shortens construction completion to May 2009, saving time. Advantages and disadvantages exist to using GSD. Cost will have to be monitored very closely, and GSD has never built an elephant exhibit before; they will be using sub-contractors to build the exhibit.

Mr. Gary Moore commented that GSD is extremely competent. Since the exhibit is a specialty, GSD would be likely to use the same sub-contractors as a general contractor, with a similar care and quality. Mr. Fujioka stated that this has already been demonstrated in other projects handled by GSD.

Ms. Abano continued. Option Four is similar to Option Three; without GSD, the project will go out to bid.
Using compressed schedules such as double-shifts and six-day work weeks, the schedule will be shortened, but this will be expensive and the budget is inadequate for this option.

Mr. Christopher Espinosa asked regarding Option Three, if using GSD would protect the City from going out to bid in the open market. Mr. Moore replied that he has noticed contractors only giving a single bid for subcontractors, which raises costs when the subcontractor has no competition. He added that GSD gives different, multiple sub bids, which encourages good competition. Mr. Espinosa asked how specialized the work is, would a general contractor automatically bid higher due to the specialized nature of the construction; would GSD require outside technical assistance. Mr. Nick Pendorf replied that GSD does not do a lot of structural steel, so that would be bid out. Mr. Fujioka noted that this was not uncommon for GSD. Mr. Pendorf responded that GSD already has in place multiple pre-qualified contractors that bid competitively. Concrete could be done in-house or bid out; this particular project does not have too many items that would be bid out. Ms. Abano suggested that items put out to bid would be life support systems, pools, landscaping, which are the same types of items that a general contractor would bid out. Mr. Pendorf answered that the landscaping was already in place with multiple contracts.

Mr. Fujioka asked if the demolished area was already cleared, with the exception of the expansion area. Mr. Moore replied that was correct, but this is to continue with that demolition and go into more detail with the utilities. Ms. Abano added that the site has been expanded from 3 acres to 6.1 acres, plus the existing reptile house must be demolished in order to facilitate Phase Two of the project, requiring the reptiles to be moved before demolition. Ms. Lynne Ozawa asked if this was on schedule, Ms. Abano replied it was and work is ongoing. Ms. Abano suggested bringing back this issue to the Committee.

Ms. Ozawa asked what the worst case scenario could be with GSD in place as general contractor on the project. Would any cost savings exist given a situation similar to the Front Entry Project’s lawsuit? Mr. Moore replied that BOE’s projects with GSD have been able to start and finish; GSD has never once stopped due to a claim or change order or because they couldn’t manage the project. Mr. Fujioka added nor has GSD ever taken shortcuts on the quality of construction. Mr. Moore stated that BOE and GSD have worked together to deliver projects; this is an overwhelming assurance that BOE and GSD can complete the project. The project’s importance to the welfare of the elephants is understood; a slowdown of work would not occur and BOE would be able to work with GSD to secure that schedule.

Ms. Ozawa asked Mr. Pendorf what assurances GSD could offer that they could keep within the budget. She expressed her concern that GSD might return to the Committee to request additional funding. Mr. Fujioka opined that this could happen regardless of whether GSD or a private contractor did the job. Mr. Pendorf replied that concerns have been raised over the years on cost accounting, and GSD has been sensitive to these concerns and made many changes and improvements which they continue to work on.
Mr. Pendorf assured the Committee that GSD will always be concerned about the quality of their work, and GSD has partnered well with BOE’s engineers. GSD is part of the City team and nothing is gained to GSD by cutting corners or doing anything that does not lead to the best project. This is currently a crazy time in the construction industry with the cost of materials. The quality of workers is not to previous standards due to the booming construction markets in New Orleans and other areas, and this can affect efficiency of production.

Mr. Moore said that since the Committee isn’t making an immediate decision, that is an opportunity for BOE to partner with Mr. Pendorf differently on the on-cost control. Mr. Moore suggested that a person be added to the project, due to the project’s scope, through the Project Management/Construction Management (PM/CM) contract. Someone could be brought in who will help work in that capacity, bringing in tools from the outside that will give a heads-up on concerns regarding productivity, costs and schedule. Mr. Fujioka asked if this wasn’t Ms. Abano’s principal job. Mr. Moore replied yes and Ms. Abano concurred. Mr. Pendorf stated that the Committee is asking at this point for assurances; the project is a design-build and the whole scope of work has not been presented. GSD has pimples, so do private contractors.

Mr. Pete Echeverria stated his strong reservations about the process being suggested. The history of GSD performing new construction work is in a very limited context. GSD becoming the construction entity for the City of Los Angeles isn’t a bad thing, if GSD is capable of doing it and delivers the best quality and prices. If the result of a contract with GSD is essentially to avoid competitive bidding or for convenience, if GSD gets a contract and ends up sub-contracting 60% to 80% of the work, it will appear that GSD is doing what a prime contractor would be doing. This may a decision ultimately made by BPW or the City Council, but is not a decision to be made by the Committee.

Mr. Echeverria stated his concern that this is a design-build project, which has inherent benefits and detriments. A unique project heightens detriments which can lead to serious problems regardless of who is building it, so the design should be looked at very closely. Mr. Echeverria suggested that another report be given on this at the next meeting, and also, BPW should discuss how they as a matter of course want to use GSD or not in certain circumstances.

Mr. Fujioka responded that the spotlight on the project highlights the need to build it quickly, while maintaining a level of quality, and also ensure that all the i’s are dotted, t’s are crossed and all is done according to Hoyle. A decision will not be rushed; it’s extremely important to consider all options before making the appropriate decision. Quality will not be sacrificed for time.

Mr. Moore asked if the Committee’s direction was to return at the next meeting with a more detailed workup. Mr. Fujioka replied yes, and directed him to also address some of the on-point issues raised by Mr. Echeverria. The concern surrounding this project requires the Committee to do things right.
Ms. Abano proceeded with her report.

Rainforest of the Americas and Reptile and Insect Interpretative Center

Design programming is in progress. The architect has submitted a design program for review, which BOE is in the process of reviewing. Subsequent workshops have been scheduled for next month. The overall design is anticipated to be complete by the end of Summer 2007.

Projects in Bid and Award

Golden Monkey Exhibit

The Golden Monkey Exhibit Project construction was awarded to GSD by BPW on Friday, July 21, 2006. BOE is holding the Notice to Proceed (NTP) based on the Committee motion of May 2006, instructing BOE to hold the NTP until the issue of obtaining the animals was resolved.

Projects in Construction

Gorilla Exhibit Project

Construction is progressing; the holding building foundation is complete, and construction is 20% complete.

Projects in Postconstruction

The project acceptance report for the Front Entry Project is in process; it is waiting to be scheduled for BPW approval. The Bureau of Contract Administration (BCA) is working on the project acceptance report. Mr. Moore added that three acceptance reports are tied together. Mr. Charley Mims stated that BCA is waiting for comments back on the reports.

Ms. Maria Cardenas asked Ms. Abano if the Gorilla Exhibit project had had any other significant change orders. Ms. Abano replied that some preliminary change orders had been issued, but they were not significant. Mr. Moore asked what the total percent of change orders processed was; Ms. Abano replied under $100K, which is a rough estimate, and none of the change orders has been negotiated or finalized.

Status of Project Management/Construction Management (PM/CM) Contract

BOE received seven responses to the Request for Qualifications (RFQ) for a PM/CM consulting firm, and is in the process of shortlisting. Interviews are anticipated to be conducted the week of August 14, 2006. After that a selection will be taken to BPW for award. Ms. Cardenas suggested that results be brought back to the Committee before going to BPW.

Ms. Verret reported that the status of obtaining golden monkeys has no update. The Zoo is still working on a strategy that will require political assistance to determine how to work with the Chinese government. Ms. Ozawa asked if this political assistance would be federal or municipal; Ms. Verret replied municipal.


Mr. Jeb Bonner reported that GLAZA has received a $25K contribution for the Pachyderm Forest project from an individual. GLAZA continues to work on the strategy for the second $2.4M being raised.

Next Meeting: August 31, 2006

Mr. Fujioka stated that the next Committee meeting is scheduled for August 31, 2006.

Public Comment

Ms. Catherine Doyle stated that she was representing concern over the welfare of Billy the elephant during construction. She asked if it were possible to find out what will be going on around him and how it will impact him. Mr. Fujioka replied that the Committee will be happy to share that information. Ms. Doyle interjected that was very important if Option One was to be chosen, in which Billy isn’t removed from the construction location. Mr. Fujioka stated that the key was the construction plan; many aspects exist to the Pachyderm Forest project construction. The options are merely that, the Committee is not predisposed. Billy’s welfare is included in the quality of the project. The Pachyderm Forest is an important project on all sides of the equation, and to make sure that Billy is treated properly is important. If he is not, that will be identified in a very public way. Aside from that, the final goal is to build a good project. Now that the project is going forward with City authority, it includes meeting Billy’s needs. Ms. Doyle stated that elephants have extremely sensitive hearing and are very sensitive to movement. Mr. Fujioka replied that the information discussed in the Committee is all done in a public way, laid out at the meeting. Ms. Doyle restated that more specifically, her concerns are about what the elephant will experience in terms of noise levels and vibrations. Mr. Fujioka noted that Zoo veterinary and animal behavioral staff will be asked to be involved in the design process. Ms. Verret confirmed that they are involved; Mr. Fujioka stated that the Committee will make sure they are. Mr. Moore stated that in the next couple months BOE will make a special presentation once the decision is made on which construction option and which mitigation measures will be taken.

Mr. Fujioka adjourned the meeting at 10:47 a.m.

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