

Department of Public Works

Bureau of Engineering  
Report No. 1

January 27, 2025  
CD No. 3

ADOPTED BY THE BOARD  
PUBLIC WORKS OF THE CITY  
of Los Angeles California

JAN 27 2025

  
Executive Officer  
Board of Public Works

**ISSUE CHANGE ORDER NO. 116 TO WAISMAN CONSTRUCTION, INC. FOR THE MADRID THEATRE RENOVATIONS PROJECT (WORK ORDER NO. E1908443, CONTRACT NO. C-141724)**

**RECOMMENDING THE BOARD OF PUBLIC WORKS (BOARD):**

1. AUTHORIZE the City Engineer to issue deductive Change Order No. 116 for the Madrid Theatre Renovations Project (Project) to modify Bid Item No. 8 to credit the cost of \$1,145,706 back to the City for the remaining work previously bid regarding the Audio/Visual material and Theatre Equipment material.
2. AUTHORIZE an increase to the Project's construction contingency in the amount of \$1,145,706, from the current approved amount of \$2,172,698.96 to a revised construction contingency amount of \$3,318,404.96, or 30.89 percent of the original contract amount.

**TRANSMITTALS**

1. Copy of the Bureau of Engineering (BOE) and the Bureau of Contract Administration Joint Report No. 1, adopted September 28, 2022, awarding the contract for the Project.
2. Copy of Preliminary Change Order No. 116.
3. Copy of the Municipal Facilities Report, dated May 30, 2024.

**DISCUSSION**

***Background***

The Madrid Theatre Renovations project is located at 21622 Sherman Way, Canoga Park, CA 91303, and is in Council District No. 3. The Theatre, constructed in 1997, has a total capacity of 430 seats, and services programs organized by the City of Los Angeles (City) Department of Cultural Affairs (DCA). The Project will include renovations to the front façade, lobbies, theatre area, and the back-of-house, as envisioned in Figure No. 1.

The DCA and Council District No. 3 initiated the efforts to renovate the Madrid Theatre in 2016. The Council District Office has been an ardent supporter of the Project and looks forward to completing the Project and inviting the community back to enjoy this Canoga Park cultural institution.

On September 28, 2022, the Board awarded a contract to Waisman Construction, Inc. (Waisman), in the amount of \$10,743,000 with a contingency amount of \$2,172,698.96 for a total approved construction budget of \$12,915,698.96 to construct the Project (Transmittal No. 1).



Figure No. 1 - Madrid Theatre Façade Rendering

**Change Order No. 116**

The proposed change order will credit the cost of procurement of the audio/visual and theatrical equipment that was included in the original Project bid. The total base bid of the project included Bid Item Nos. 1 through 9. There were Additive Alternative Item Nos. 10 through 12 which were not awarded in the contract with Waisman. (Transmittal No. 1). Only the procurement of the audio/visual and theater equipment was included in the Total Base Bid as Bid Item No. 8.

A Phase II portion of the Project was recommended to implement decarbonization of the facility and address additional items proposed by the DCA. On May 30, 2024 the Municipal Facilities Committee (MFC), concurred with the BOE recommendation to

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establish Phase II of the Project, which will address the procurement and installation of the audio/visual and theater equipment procured as a separate competitively bid contract.

Preliminary Change Order No. 116 was negotiated with Waisman to delete the procurement of the audio/visual and theater equipment from the current contract and credit the cost back to the City. The total amount to be credited through this change order back to the Project as contingency is \$1,145,706. (Transmittal No. 2)

### ***Status of Change Orders***

A summary of the current change order status is presented below:

<b>Summary of Change Orders as of May 31, 2024</b>			
<b>Category</b>	<b>Total No. of Change Orders</b>	<b>Dollar (\$) Amount</b>	<b>Percent (%) Contract Amount</b>
Fully Executed Change Orders	122	\$1,697,324.00	15.80%
Preliminary Change Orders	7	\$ 424,647.72	3.95%
Change Order per this Board Report	1	-\$ 1,145,706.00	-10.66%
<b>Total</b>	<b>130</b>	<b>\$ 976,265.72</b>	<b>9.09%</b>

### ***Oversight Committee Briefing***

The MFC approved the original authorized construction budget of \$10,743,000, not including contingency, at its meeting on March 11, 2022.

On May 30, 2024, a report was approved by the MFC to obtain concurrence with our approach to remove the audio/visual scope from the current construction contract with Waisman, and to establish the Phase II scope for the Project (Transmittal No. 3).

### **STATUS OF FUNDING**

There is no impact to the General Fund. No additional funding is required for deductive Change Order No. 116. As this is a credit change order, the money credited back to the City is to be issued back to the Project as contingency under fund account 298/50YPCD. No additional approval of funding is required.

The City's liability under this contract shall only be to the extent of the present City appropriation to fund the contract. However, if the City shall appropriate funds for any succeeding years, the City's liability shall be extended to the extent of such appropriation, subject to the terms and conditions of the contract.

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( SF VCA DW )

Report reviewed by:


BOE (ADM)

Report prepared by:

Architectural Division

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Principal Architect  
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Respectfully submitted,

  
For Ted Allen, PE  
City Engineer

Statement as to funds approved by:



Miguel De La Peña, Director  
Office of Accounting  
Fund Ref. 298/50YPCD/\$0.00  
Date: 1/07/2025

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Questions regarding this report  
may be referred to:  
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