

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0220-05767-0001

Date: September 17, 2020

To: The City Council

From: Richard H. Llewellyn, Jr., City Administrative Officer Subject: **DEPARTMENTAL REQUESTS FOR FUNDING AND RESOLUTION
AUTHORITY POSITIONS FOR THE STATE ROUTE 710 (SR-710) MOBILITY
IMPROVEMENT PROJECTS (MIPS)**

On September 3, 2020, the Street and Transportation Projects Oversight Committee approved the addition of two new resolution position authorities for the Bureau of Street Services and one new resolution position authority for the Department of Transportation. These positions are needed to support the State Route 710 Mobility Improvement Projects. The request is now forwarded for your consideration. See the City Administrative Officer report attached.

RECOMMENDATION

That the Council, subject to the approval of the Mayor, provide resolution authority for the Bureau of Street Services (BSS) and the Department of Transportation (DOT) for the term of September 15, 2020 through June 20, 2021, as follows:

Department	Class Code	Classification	Quantity
BSS	7237-0	Civil Engineer	2
DOT	2481-1	Supervising Transportation Planner I	1

FISCAL IMPACT STATEMENT

There is no anticipated General Fund impact. These positions are fully grant reimbursable.

FINANCIAL POLICY COMPLIANCE

The recommendation in this report complies with the City's Financial Policies.

RHL:LLE:06210038

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0220-05767-0000

Date: August 31, 2020

To: Streets and Transportation Projects Oversight Committee

From: Richard H. Llewellyn, Jr., City Administrative Officer

Subject: **DEPARTMENTAL REQUESTS FOR FUNDING AND RESOLUTION
AUTHORITY POSITIONS FOR THE STATE ROUTE 710 (SR-710) MOBILITY
IMPROVEMENT PROJECTS (MIPs)**

RECOMMENDATIONS

That the Streets and Transportation Projects Oversight Committee (STPOC):

1. Recommend to Council, subject to the approval of the Mayor, to provide resolution authority in the Bureau of Street Services for two positions listed below to support the SR-710 MIPs for the term of September 15, 2020 through June 30, 2021, subject to review and approval by the Personnel Department as to Civil Service classification, and allocation by the Civil Service Commission:

<u>Quantity</u>	<u>Class Code</u>	<u>Classification Title</u>
2	7237-0	Civil Engineer

2. Direct the Bureau of Engineering to use existing vacancies to support the SR-710 MIPs;
3. Recommend to Council, subject to the approval of the Mayor, to provide resolution authority in the Department of Transportation for one position listed below to support the SR-710 MIPs for the term of September 15, 2020 through June 30, 2021, subject to review and approval by the Personnel Department as to Civil Service classification, and allocation by the Civil Service Commission:

<u>Quantity</u>	<u>Class Code</u>	<u>Classification Title</u>
1	2481-1	Supervising Transportation Planner I

4. DIRECT the Bureau of Street Services, the Bureau of Engineering and the Department of Transportation to ensure timely reimbursements back to the Transportation Grant Fund for the cash flow used on the SR-710 MIPs.

DISCUSSION

On January 15, 2020, the City Council (CF 19-1566) instructed the respective City departments to:

- Enter into funding agreements with Metro for nine City projects representing reimbursable grant awards totaling \$100.35 million;
- Identify the resources needed to deliver each project; and
- Identify front-funding, positions, and cash flow needs to implement the Phase 2 MIPs.

Funding agreements have been executed between the City, Metro and Caltrans for six of the nine new Phase 2 MIPs. Two of the three funding agreements will be executed later this fiscal year (2020-21) and one will be executed in 2022-23.

Lead Department	Metro Project ID	Project Title	Funding Award
Bureau of Street Services	LA8.4.2.04	Eagle Rock Boulevard Multi-Modal Transportation Improvements	\$16,362,000
Bureau of Street Services	LA8.5.2.02	El Sereno Active Transportation Project & Transit Connectivity Enhancements	\$6,000,000
Bureau of Street Services	LA8.5.2.03	Northeast Los Angeles Active Transportation & Transit Connectivity Enhancements	\$5,000,000
Bureau of Engineering	LA8.4.2.05	Eastern Avenue Multi-Modal Transportation Improvements	\$16,388,000
Bureau of Engineering	LA8.4.2.06	Huntington Drive Multi-Modal Transportation Improvements	\$17,000,000*
Bureau of Engineering	LA8.4.2.07	Valley Boulevard Multi-Modal Transportation Improvements	\$34,100,000*
Department of Transportation	LA8.3.2.02	DASH El Sereno/City Terrace Route Expansion & Bus Stop Enhancements	\$2,000,000
Department of Transportation	LA8.3.2.03	DASH Highland Park/Eagle Rock Bus Stop Enhancements (LADOT)	\$1,500,000
Department of Transportation	LA8.3.2.07	Soto Street & Marengo Street Traffic Signal Enhancements	\$2,000,000
* The funding award for these projects cover outreach and design costs only. Additional funding will be required for the construction of these projects.			

While seven of the nine projects are fully funded, the Huntington Drive and Valley Boulevard projects are funded for outreach and design only. Additional funds will be required to construct the projects. The total cost of these projects is yet to be determined as the projects have not been scoped out. As these projects involve bus rapid transit, the City Engineer estimates that each project could cost between \$100 million to \$150 million. The Bureau of Engineering has advised that if the projects were not to be constructed, due to the determination that no work is needed (choosing the “no build” option) the City would not have to pay back the grant funds to the grantor.

There is an 11.47 percent match for the MIPs. The match will be met by using Toll Credits authorized by Metro and Caltrans.

Bureau of Street Services

The Bureau of Street Services (BSS) is requesting resolution authority for one Senior Civil Engineer and two Civil Engineers to support the SR-710 MIPs. The total cost of the requested positions for nine-months is \$872,013, comprised of \$322,061 for direct costs and \$549,952 for indirect costs.

A total of three projects are assigned to BSS under the SR-710 MIP for a total of \$27.36 million. The scope of work includes pre-design activities, including community engagement, project scoping, and planning, followed by full-design and construction.

BSS currently has three Sr. Civil Engineers and nine Civil Engineers position authorities. All of the existing Sr. Civil Engineers and Civil Engineers are currently filled. The workload capacity for these positions are fully utilized with duties for the Skid Row, Crenshaw, LAWA LAMP, Grant, Design-Build, and CIEP projects. A Senior Civil Engineer typically manages a medium to large project or program and supervises two to five Civil Engineers. BSS currently has three Senior Civil Engineers with a workload of 46 active projects in various stages of completion ranging from pre-design to construction. BSS should utilize the existing Senior Civil Engineers to assist with the oversight of the SR-710 MIPS. A Civil Engineer typically manages and provides design support for one to two projects depending on the size and scope of the project. These positions will not only be providing support to the three projects assigned to BSS, they will be supporting the BOE and LADOT with their projects. The Bureau has begun scheduling kick off meetings and community outreach for October and will need these positions no later than October 2020. Therefore this Office recommends approval of two Civil Engineer resolution authority positions within BSS to support the SR-710 MIPs. The total cost of these positions for nine-months is \$558,804, comprised of \$206,384 for direct costs and \$352,420 for indirect costs.

Bureau of Engineering

The Bureau of Engineering (BOE) is requesting funding and resolution authority for three Civil Engineers to provide project management and coordination for the SR-710 MIPs. The total cost of these positions for nine-months is \$718,015, comprised of \$396,671 for direct costs and \$321,344 for indirect costs. BOE reports that these positions will be heavily involved with outreach and coordination with outside agencies and City departments.

During the development of the 2020-21 Budget, BOE requested three positions, consisting of one Civil Engineering and two Civil Engineering Associate IIIs, for the SR-710 MIPs. These requested positions were not approved due to BOE having existing positions that could be used to support the SR-710 MIPs. Currently, BOE is authorized 10 positions without funding to support grant-funded projects. Only one position is filled. Therefore, the nine vacant positions, consisting of two Civil Engineers, three Civil Engineering Associate IIIs, and four Civil Engineering Associate IIs, can be utilized to support these projects. In addition, BOE has 13 vacancies in the Civil Engineer classifications that can be utilized for this purpose. Therefore, this Office does not recommend approval of positions or funding for the Bureau of Engineering. Further analysis will be conducted during the Managed Hiring Process to determine the appropriate classification(s) and number of staff required to perform the initial work in 2020-21.

Department of Transportation

The Department of Transportation (LADOT) is requesting resolution authority for one Supervising Transportation Planner I and continuous exemption from the Managed Hiring Process to fill five existing accounting-related positions (one Principal Accountant, two Senior Accountants, and two Accountants) to support the SR-710 MIPs. The initial report from BOE, BSS, and LADOT implied that LADOT was requesting six new positions, but this request has since been clarified as described above. The total cost of the Supervising Transportation Planner I position for nine-months is \$200,052, comprised of \$94,307 for direct costs and \$105,746 for indirect costs. The total cost for the five accounting positions for nine-months is \$675,873, comprised of \$318,612 for direct costs and \$357,260 for indirect costs.

This Office recommends approval of one Supervising Transportation Planner I resolution authority position within LADOT to serve as planning lead on the SR-710 MIPs. The first phase of the SR-710 MIPs includes project scope development and community outreach as part of the Project Approval/Environmental Document and preliminary engineering, which are appropriate responsibilities for a Supervising Transportation Planner. LADOT currently has two vacancies for Supervising Transportation Planner I positions with nine-months funding in the 2020-21 Budget. These are new positions (in the 2020-21 Budget) and were approved to support dockless mobility enforcement and external affairs/community engagement. There are no other Supervising Transportation Planner I vacancies available in the Department. The pending workload of the SR-710 MIPs will require a supervisory position to oversee the transportation planning for all multi-year projects, as well as to manage the three existing Transportation Planning Associates in the LADOT Active Transportation Division who currently support all active transportation projects and will also support the SR-710 MIPs going forward.

This Office does not recommend continuous exemption from the Managed Hiring process for LADOT's accounting-related positions going forward, as all requests to fill vacancies for the existing accounting-related positions can be submitted and reviewed through the 2020-21 Managed Hiring Process. Only three of the five accounting-related positions requested by LADOT are currently vacant (Principal Accountant and two Senior Accountants). LADOT can request exemption from the Managed Hiring process for the two Accountant positions when vacancies become available in that job classification.

The accounting positions oversee and perform all accounting-related functions for all of the Department's transportation grant programs and transportation-related funds, including the Proposition C Anti-Gridlock Transit Improvement Fund (Prop C), the Measure R Traffic Relief and Rail Expansion Fund, the Measure M Local Return Fund, the Affordable Housing Sustainable Community grants, and the Active Transportation Program grants, in addition to providing administrative support for the SR-710 MIPs. These positions will be critical to administering grant funds, tracking and reporting project costs, and processing grant reimbursements into the City as quickly as possible. Filling of some of these positions may be warranted regardless of the incremental workload presented by the 710 grant awards. The workload for the 710 grant awards will likely be small at the beginning and will gradually increase over time.

PROJECT FUNDING

The City departments involved with the SR-710 MIPs are working with LADOT to determine the cash flow/appropriations required for FY 2020-21 in the annual Transportation Grant Fund (TGF) report. The TGF report, expected to go to the Mayor and Council by October 2020, will establish new project appropriations in Fund No. 655 for each SR-710 MIP. These project appropriations will be able to front-fund and pay directly for project-related costs and reimburse departments for all eligible project-related staff costs. The City departments will also work with LADOT to ensure timely grant reimbursements back to the TGF for the cash flow used on the SR-710 MIPs, as well as reimbursements for staff costs back to the Departmental budgets as appropriate.

Front-funding for the positions identified in this report can be provided through existing departmental budget appropriations and be fully reimbursed for all project-related work by the TGF from SR-710 funded project accounts as described above. Since these positions are funded on a reimbursable basis, Departments should ensure they have sufficient salary savings to front fund these expenditures.

The existing LADOT accounting positions are front-funded by Prop C and are reimbursed through indirect cost billing via the Cost Allocation Plan, as these positions are considered administrative support for all grant-funded projects.

BSS, BOE, and LADOT requested exemption from the Mayor's Cost Containment review on a continuous basis. Exemptions cannot be granted by the Council or the CAO. The Mayor's Memorandum has indicated that departments can submit those requests through a separate process.

FISCAL IMPACT STATEMENT

The recommendations in the report will have no fiscal impact to the General Fund as the positions recommended are fully grant reimbursable. Front-funding for these positions can be provided through existing departmental budget appropriations and be fully reimbursed for all project-related work by the Transportation Grants Fund (Fund No. 655) from SR-710 funded project accounts. There is an 11.47 percent match for the MIPs. Toll Credits were authorized by Metro and Caltrans to cover the City match. The estimated cost for nine-months funding of the new positions recommended in this report is reflected in the table below:

<i>Department</i>	<i>No. of Positions</i>	<i>Length of Funding</i>	<i>Direct Salary Costs</i>	<i>Related Costs</i>	<i>Total</i>
BSS	2	Nine-Months	\$ 206,384	\$ 352,420	\$ 558,804
		Twelve-Months	\$ 275,178	\$ 469,894	\$ 745,072
LADOT	1	Nine-Months	\$ 94,307	\$ 105,746	\$ 200,052
		Twelve-Months	\$ 125,742	\$ 140,994	\$ 266,736

FINANCIAL POLICY COMPLIANCE

The recommendations in this report complies with the City's Financial Policies.

Attachment

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: July 28, 2020

TO: Streets and Transportation Projects Oversight Committee (STPOC)

FROM: Shirley Lau, Division Manager
Bureau of Engineering



Kevin Minne, Division Manager
Bureau of Street Services



Carlos Rios, Division Manager
Department of Transportation



SUBJECT: **REQUEST FOR FUNDING AND RESOLUTION AUTHORITY POSITIONS
FOR THE STATE ROUTE 710 (SR-710) MOBILITY IMPROVEMENT
PROJECTS (MIPs)**

RECOMMENDATION

That the STPOC:

Consider the request for funding and position authorities from the Bureau of Engineering (BOE), Bureau of Street Services (StreetsLA), and the Los Angeles Department of Transportation (LADOT) to implement the SR-710 MIPs, and include this memo in the report back to City Council on the identified funding and cash flow resources required for the implementation of the SR-710 MIPs (Council File 19-1566).

BACKGROUND

The SR-710 North Extension project was a proposal to connect the southern terminus of the 210 Freeway in Pasadena with the 710 Freeway in Alhambra. In 2008, voters approved Measure R which allocated \$780M in funding, supplementing \$297.3M in funding the Los Angeles County Metropolitan Transportation Authority (Metro) previously secured through state and federal funds, to bridge the transportation gap between the two freeway stubs.

In 2015, Metro initiated an Environmental Impact Report (EIR) to determine the best alternative for closing this transportation gap. The EIR evaluated five alternatives: No Build, Transportation Demand Management/ Transportation System Management (TSM/TDM), Freeway, Light Rail, and Bus Rapid Transit. On May 25, 2017, the Metro Board voted to: support the TSM/TDM alternative, allocate the \$730M of \$780M in Measure R funding to the San Gabriel Valley Council of Governments, and allocate the \$297.3M in Federal and State funding to the City of Los Angeles (City) and County of Los Angeles (County) for the implementation of MIPs within the project study area. On December 6, 2018, the Metro Board approved the allocation of \$48.33M in funding to the City for the Phase 1 MIPs (See Attachment 1- Metro Board Report), which included existing City projects that were short-funded.

On August 6, 2019, the California Department of Transportation (Caltrans) signed the Record of Decision and adopted the TSM/TDM alternative. Throughout 2019, the City and County partnered together and consulted with the community to develop a list of Phase 2 MIPs that met the intent of the 2017 Metro Board action and distributed the funding equally between the County and City. On September 26, 2019, Metro approved \$100.35M for the Phase 2 MIPs to fund improvements in the City (See Attachment 1- Metro Board Report). Toll Credits, in lieu of the 11.47% required local match for these projects, were authorized by Metro and Caltrans to use for all the MIPs in Phase 1 and 2.

On January 15, 2020, the City Council instructed the respective City departments: to enter into funding agreements with Metro for each project; to identify the resources needed to deliver each project; and to identify front-funding, positions, and cash flow needs to implement the Phase 2 MIPs (See Attachment 2- Council File 19-1566). Subsequently, City departments have been working with Metro and Caltrans on draft funding agreements to start the following six new projects within the 2019-20 Federal fiscal year:

TABLE 1

Lead Dept.	Metro Project ID	Project Title	Funding Awarded
StreetsLA	LA8.4.2.04	Eagle Rock Boulevard Multi-Modal Transportation Improvements	\$16,362,000
BOE	LA8.4.2.05	Eastern Avenue Multi-Modal Transportation Improvements	\$16,388,000
BOE	LA8.4.2.06	Huntington Drive Multi-Modal Transportation Improvements	\$17,000,000*
BOE	LA8.4.2.07	Valley Boulevard Multi-Modal Transportation Improvements	\$34,100,000*

StreetsLA	LA8.5.2.02	El Sereno Active Transportation Project & Transit Connectivity Enhancements	\$6,000,000
StreetsLA	LA8.5.2.03	Northeast Los Angeles Active Transportation & Transit Connectivity Enhancements	\$5,000,000
*Front funds for these projects are for project development and design only. Construction funds for will require a different front fund source due to the anticipated size of the project.			

REQUEST FOR RESOLUTION AUTHORITY POSITIONS

The SR-710 MIPs are new projects that require close coordination with City departments, external agencies, and the communities that the projects will impact. The lead City departments do not currently have available staff to implement the SR-710 MIPs. The resolution authority positions identified in Table 2, effective through the remainder of the fiscal year (Sept. 1, 2020 to June 30, 2021), are required to start the implementation of the Project Approval/Environmental Document (PA/ED) and Preliminary Engineering (PE) phases for the projects in Table 1.

The Transportation Grants Fund (TGF) No. 655, the proposed front fund source, operates on a billing and reimbursement process that relies heavily on accounting staff to perform cost tracking, reporting, reconciliation, and auditing services. All of these functions affect cash reimbursements to the fund and require a minimum of one Principal Accountant, two Senior Accountants, and two Accountants to support the fund's operations. LADOT currently employs one acting Principal Accountant II and one acting Senior Accountant to administer the fund, and requests the positions in Table 3. LADOT will not be able to sustain additional accounting work created by the 710 MIP projects, which can further exacerbate the cash flow due to delayed billings and reimbursements.

BOE, StreetsLA, and LADOT request exemption, on a continuous basis, to the hiring freeze policy and contractual services review set forth in Mayor Eric Garcetti's FY 2020-21 Cost Containment memorandum, or any subsequent managed hiring process, for all the classifications in Tables 2 and 3 below.

TABLE 2

Department	Classification	Quantity	Class Code
BOE	Civil Engineer	3	7237
StreetsLA	Sr Civil Engineer	1	9485

StreetsLA	Civil Engineer	2	7237
LADOT	Supervising Transportation Planner I	1	2481-1

TABLE 3

Department	Classification	Quantity	Class Code
LADOT	Principal Accountant II	1	1525-2
LADOT	Sr Accountant II	2	1523-2
LADOT	Accountant	2	1513

FISCAL IMPACT

With Toll Credits authorized by Metro and Caltrans being used as the local match for the SR-710 MIPs, all of the project costs, including City staff costs, are 100 percent reimbursable from the Federal and State funds. The LADOT verified that it has available funding in TGF to cash flow non-labor expenditures for the SR-710 MIPs for the projects listed in Table 1 for Fiscal Year 2020-21. The City departments involved with the SR-710 MIPs are working with LADOT to include the cash flow/appropriations required for FY 2020-21 in the annual TGF report. The City departments will also work with LADOT to ensure timely reimbursements back to the TGF for the cash flow used on the SR-710 MIPs.

Attachment 1 – Metro Board Report 2019-0245-09-18-19

Attachment 2 – Council File 19-1566

Cc:

Gary Lee Moore, City Engineer

Adel Hagekhalil, Director, StreetsLA

Seleta Reynolds, General Manager, LADOT

Deborah Weintraub, BOE

Fred Mousavipour, StreetsLA

Monique Earl, LADOT

Robert Kadomatsu, BOE

Sue Chen, LADOT