


REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: March 9, 2023

CAO File No. 0640-01399-0127
Council File No. 22-0847-S3
Council District: All

To: Mayor
Council

From: *for* Matthew W. Szabo, City Administrative Officer 

Reference: 2022-23 Fourth Construction Projects Report

Subject: **2022-23 – Fourth Construction Projects Report - Addendum**

SUMMARY

On January 25, 2023, this Office released the 2022-23 Fourth Construction Projects Report (CPR) that provides updates for major capital projects and associated financial transactions (C.F. 22-0847-S3). This addendum is needed to address time-sensitive items that were identified subsequent to the release of the Fourth CPR.

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Authorize the Controller to transfer \$1,908,216 between Departments and Funds as specified in Attachment 1;
2. Authorize the Controller to transfer \$1,422,000 between accounts within Departments and Funds as specified in Attachment 2;
3. Authorize the CAO to make technical corrections, as necessary, to the transactions authorized through this report, as required to implement the intent of those transactions;
4. In accordance with Recommendation Nos. 1 and 2, authorize the Controller to reimburse the General Fund with Municipal Improvement Corporation of Los Angeles (MICLA), upon City Administrative Officer (CAO) approval and receipt of requesting Departments' labor services, construction materials, and supplies invoices for completed work, including the Departments' labor services documentation that must contain an hourly breakdown with task codes detailing the completed MICLA eligible work, relative to the respective Departmental accounts designated for the following project(s):
 - Space Optimization, City Hall East P-4 (Item E)

Potrero Canyon Pacific Coast Highway Pedestrian Bridge (Item C)

5. Authorize Bureau of Engineering (BOE) to execute a cooperative agreement, and any other agreement, with Caltrans required to implement the Potrero Canyon Pacific Coast Highway Pedestrian Bridge Project to ensure that the intent of Council Motion (C.F. 22-0713) is effectuated; and,

City Hall 22nd Floor Mayor's Operation Inside Safe Office Renovation (Item H)

6. Rescind the prior Controller's instructions provided as part of the 2022-23 Fourth Construction Projects Report (C.F. 22-0847-S3, Item No. KKK) and to replace those instructions with the correct breakdown of accounts as provided in the attachment to this CPR Addendum (Item H).

FISCAL IMPACT STATEMENT

Transfers, appropriations, and expenditure authority totaling \$3.33 million are recommended in this report. Of this amount, \$772,000 is for transfers, appropriations, and expenditure authority for the Office of the City Administrative Officer, \$601,502 for the Bureau of Engineering, \$531,688 for General Services Department, and \$1,425,026 is for other City funds. All transfers and appropriations are based on existing funds, reimbursements, or revenues. There is no immediate General Fund impact for operations and maintenance costs as a result of these recommendations (Attachment No. 3).

DEBT IMPACT STATEMENT

There is no debt impact to the General Fund as a result of the recommendations in this report as there are no new debt issuance authorizations recommended.

FINANCIAL POLICIES STATEMENT

The actions recommended in this report comply with the City's Financial Policies.

DISCUSSION

**A. Bureau of Engineering (BOE) – Los Angeles Department of Water and Power’s Solar Incentive Program
LADWP Solar Incentive Funds
Attachment No. 1
Recommendation No. 1**

Authority is recommended for the Board of Public Works, on behalf of BOE, to transfer up to \$452,502 in project funds from the Los Angeles Department of Water and Power (LADWP) Solar Incentive Program to BOE’s Special Services Fund, to reimburse BOE for staff costs related to the photo-voltaic power generated through the Los Angeles Police Department Metro Transport Division Solar Array Project. Council approval is required to appropriate the funds to the BOE budgetary account. *O&M Fiscal Impact: There are no operation and maintenance costs as this is an administrative action.*

**B. BOE – Mafundi/Robert Pitts Center
Sites and Facilities
Attachment No. 1
Recommendation No. 1**

A transfer of \$150,000 in Sites and Facilities monies to BOE’s budgetary accounts is recommended to initiate an assessment of the building structural and systems repairs of the Mafundi/Robert Pitts Center located in the Watts neighborhood. The assessment will provide critical information needed to develop a scope of work to improve the condition of the Historic Cultural Monument. Council approval is required to appropriate the funds to BOE’s budgetary accounts. *O&M Fiscal Impact: At this time, the potential impact to the City for operations and maintenance is indeterminable until the service model is developed and approved for the facility, and any potential use of a third-party operator could reduce or eliminate ongoing O&M responsibilities that the City would otherwise incur.*

**C. BOE – Potrero Canyon Pacific Coast Highway Pedestrian Bridge
Recommendation No. 5**

Authority is recommended for BOE to execute a cooperative agreement, and any other agreement, with Caltrans required to construct a pedestrian/bicycle bridge over Pacific Coast Highway spanning from the Potrero Canyon Park Development to the east and to the parking lot adjacent to the beach on the west. As part of the 2021-22 State Budget, the California Legislature authorized funding of \$11 million for the Potrero Canyon Pacific Coast Highway Pedestrian Bridge which was provided to BOE through the Council Motion (C.F. 22-0713). The cooperative agreement is required to initiate formal coordination with Caltrans to develop a Project Study and Development Support Report and to coordinate other pre-design activities which require Caltrans’ review. The initial pre-design phase of the project is anticipated to be completed by August 2024 with subsequent phases to be scheduled for completion later. Council authority is required to execute the agreement. *O&M Fiscal Impact: There is no General Fund impact as these costs will be funded by grant monies.*

**D. City Administrative Officer (CAO) – Sepulveda Boulevard Tunnel (LAX) – Fire Detection System Upgrade
Road Maintenance and Rehabilitation Program Special Fund (59V)
Attachment No. 2
Recommendation No. 2**

A transfer of \$522,000 in the Road Maintenance and Rehabilitation Program Special Fund (59V) to BSS's budgetary accounts is recommended to cover the increase of labor and material cost due to inflation and the expanded scope of work to include traffic control and 24/7 fire watch (required by LAFD) during the system shut down periods. The Sepulveda Boulevard Tunnel runs underneath the runways at LAX Airport between the 105 Freeway and Century Boulevard. The fire detection upgrade is necessary to protect lives and mitigate the City's liability during fire incidents and comply with the legally mandated maintenance requirements set forth by the Federal law. The scope of work involves removal and replacement of the existing fire detection system in the northbound and southbound side of the Sepulveda Tunnel. The new system will include an upgraded fire alarm control unit along with new communication lines, photoelectric smoke detectors, photo/heat sensors, thermal sensor isolators, and module isolators. Construction is expected to start on January 23, 2023, and the estimated completion date is April 30, 2023. Council authority is required to appropriate the funds to BOE's budgetary accounts. *O&M Fiscal impact: There is no General Fund impact for operations and maintenance as these costs are funded by Special Fund monies.*

**E. CTIEP – Administrative Account Adjustment and City Hall Fourth Floor Media Room Modification
CTIEP
Attachment Nos. 1 and 2
Recommendation Nos. 1 and 2**

Authority to implement adjustment within CTIEP accounts is recommended to consolidate remaining balance of the City Facilities, Maintenance and Improvements accounts. A recent transfer of \$900,000 was erroneously transferred into the prior year account established for City Facilities, Maintenance and Improvements program (2020-21 Second Financial Status Report, C.F. 20-0600-S84). Consolidation of these monies will allow funds to be effectively tracked in a single account. Additionally, an appropriation of \$525,026 in CTIEP funds to GSD's and ITA's budgetary accounts is recommended to make modifications to the City Hall Fourth Floor Media Room. The estimated completion date of this project is May 2023. Council authority is needed to effectuate the consolidation of these funds and to appropriate the funds to GSD's and ITA's budgetary accounts. *O&M Fiscal Impact: There is no General Fund impact for operations and maintenance as this is an administrative action.*

**F. General Services Department (GSD) – Space Optimization, City Hall East P-4
MICLA
Attachment No. 1
Recommendation Nos. 1 and 4**

Authority is recommended to transfer and appropriate up to \$250,000 in MICLA funds to GSD to initiate space improvements on the P-4 level of City Hall East. The funding will initiate necessary renovations to improve work space conditions and repair restrooms on the P-4 level to bring them up to City standards. Transfers for the non-MICLA eligible project elements will be funded by CTIEP funds in subsequent Construction Project Reports. Current cost estimates are preliminary and revised estimates will be provided in subsequent report backs in the CPR. The estimated completion date of the projects is September 2023. Council approval is required to appropriate the funds to GSD's budgetary accounts. *O&M Fiscal Impact: There are no operations and maintenance costs as this is an administrative action.*

**G. GSD – Fire Station No. 54 Renovations
CTIEP
Attachment No. 1
Recommendation No. 1**

Authority is recommended to transfer and appropriate \$57,272 in CTIEP funds to GSD for renovations at Fire Station No. 54 located at 5730 Crenshaw Boulevard in Council District 8. The scope of work includes patching and painting walls, window repair, and carpet replacement. The estimated project completion date is June 2023. Council approval is required to appropriate the funds to GSD's budgetary accounts. *O&M Fiscal Impact: There are no operations and maintenance costs as this is an administrative action.*

**H. GSD – City Hall 22nd Floor Mayor's Operation Inside Safe Office Renovation
CTIEP
Attachment No. 1
Recommendation Nos. 1 and 6**

Authority is recommended to rescind the controllers instructions provided as part of the 2022-23 Fourth Construction Projects Report (C.F. 22-0847, Item No. KKK) and to replace those instructions with the correct breakdown of accounts as provided in the attachment to this addendum. Based on the final estimates received that resulted in a net change of \$641 from the prior instructions, a total of \$474,416 will be transferred to ITA (\$331,963) and GSD (\$142,453). Council approval is required to rescind the Controller's Instructions provided in the 2022-23 Fourth CPR (Item No. KKK) and to replace it with an updated breakdown of accounts. *O&M Fiscal Impact: There is no General Fund impact for operations and maintenance as this is an administrative action.*

LaTanya Roux
By: LaTanya Roux
Management Assistant

APPROVED:

Yplenda Chavis
for _____
City Administrative Officer

MWS:LRR:05230136

Attachments

**ATTACHMENT 1
FOURTH CONSTRUCTION PROJECTS REPORT ADDENDUM
FY 2022-23 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN DEPARTMENTS AND FUNDS**

ITEM	DEPARTMENT/PROJECT	TRANSFER FROM		TRANSFER TO	
		FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
A	PW: Bureau of Engineering <i>LADWP's Solar Incentive Program</i>	<u>Fund 704/98, Water and Power</u>		<u>Fund 682/50, Engineering Services Fund</u>	
		98100, Other Expenditures	\$ 451,502.00	50VVHE, Building Carbonization Workplan	\$ 451,502.00
B	PW: Bureau of Engineering <i>Mafundi/Robert Pitts Center</i>	<u>Fund 209/88, Sites and Facilities</u>		<u>Fund 100/78, Bureau of Engineering</u>	
		88W210, Various Recreation Parks Facilities	\$ 150,000.00	003040, Contractual Services	\$ 150,000.00
E	Capital Technology Improvement Expenditure Program (CTIEP) <i>City Hall Media Room Modification</i>	<u>Fund 100/54, CTIEP</u>		<u>Fund 100/40, General Services Department</u>	
		00T764, City Facilities, Maintenance & Improvements	\$ 525,026.00	001014, Salaries Construction	\$ 40,138.00
				001101, Hiring Hall Construction	100,346.00
				001121, Benefits Hiring Hall Construction	60,208.00
				003180, Construction Materials	61,270.00
				Subtotal	\$ 261,962.00
				<u>Fund 100/32, Information Technology Agency</u>	
				001100, Hiring Hall Salaries	\$ 5,280.00
				009350, Communication Services	257,784.00
				Subtotal	\$ 263,064.00
				Subtotal	\$ 525,026.00
F	General Services Department <i>Space Optimization Program</i> <i>City Hall East P-4</i>	<u>298/40, MICLA</u>		<u>Fund 100/40, General Services Department</u>	
		TBD, Space Optimization Tenant Work	\$ 250,000.00	001014, Salaries Construction	\$ 35,000.00
				001101, Hiring Hall Construction	87,500.00
				001121, Benefits Hiring Hall Construction	52,500.00
				003180, Construction Materials	75,000.00
				Subtotal	\$ 250,000.00
G	General Services Department <i>Fire Station No. 54 Renovations</i>	<u>100/54, CTIEP</u>		<u>Fund 100/40, General Services Department</u>	
		00P501, Manchester Jr Arts Center Theatre Improvements	\$ 57,272.00	001014, Salaries Construction	\$ 21,673.00
				001101, Hiring Hall Construction	10,631.00
				001121, Benefits Hiring Hall Construction	24,968.00
				Subtotal	\$ 57,272.00
H	General Services Department <i>Space Optimization Program</i> <i>City Hall 22nd Floor - Mayor's Operation</i> <i>Inside Safe Office Renovation</i>	<u>100/54, CTIEP</u>		<u>Fund 100/40, General Services Department</u>	
		TBD, Space Optimization	\$ 460,861.00	001014, Salaries Construction	\$ 18,930.00
				001101, Hiring Hall Construction	52,717.00
				001121, Benefits Hiring Hall Construction	26,083.00
				003180, Construction Materials	44,723.00
			Subtotal	\$ 142,453.00	
				<u>100/32, Information Technology Agency</u>	
				006010, Office and Administrative	\$ 160,500.00
				009359, Communication Services	171,463.00
				Subtotal	\$ 331,963.00
				Subtotal	\$ 474,416.00
TOTAL ALL DEPARTMENTS AND FUNDS			\$ 1,908,216.00		\$ 1,908,216.00

ATTACHMENT 2
 FOURTH CONSTRUCTION PROJECTS REPORT ADDENDUM
 FY 2022-23 BUDGET ADJUSTMENTS
 TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS

ITEM	DEPARTMENT/PROJECT	TRANSFER FROM		TRANSFER TO	
		FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
D	City Administrative Officer <i>Sepulveda Blvd Tunnel (LAX) - Fire Detection System Upgrade</i>	<u>Fund 59V/50, Road Maintenance and Rehabilitation Program Special Fund</u>		<u>Fund 59V/50, Road Maintenance and Rehabilitation Program Special Fund</u>	
		50TVGD, Reservoir Street	\$ 366,324.71	TBD, Sepulveda Blvd Fire Detection Upgrade	\$ 522,000.00
		50TVFB, Nordica Drive	155,675.29		
			<u>\$ 522,000.00</u>		
E	CTIEP <i>Administrative Account Adjustment</i>	<u>100/54, CTIEP</u>		<u>100/54, CTIEP</u>	
		00K046, City Facilities, Maintenance and Improvements	\$ 900,000.00	00T764, City Facilities, Maintenance & Improvements	900,000.00
TOTAL ALL DEPARTMENTS AND FUNDS			\$ 1,422,000.00		\$ 1,422,000.00

**ATTACHMENT 3
FOURTH CONSTRUCTION PROJECTS REPORT ADDENDUM
FY 2022-23 OPERATIONS AND MAINTENANCE (O&M) COSTS**

2022-23
Page, Attach, and Fourth CPR Annual Completion
Rec Nos. Addendum O&M Costs Month/Year

CONSTRUCTION PROJECTS SECTION						
						Comments
A	LADWP's Solar Incentive Program	Pg 3, A1, Rec 1	\$ 452,502.00		N/A	There is no General Fund impact for operations and maintenance as this is an administrative action.
B	Mafundi/Robert Pitts Center	Pg 3, A1, Rec 1	\$ 150,000.00	-	N/A	At this time, the potential impact to the City for operations and maintenance is indeterminable until the service model is developed and approved for the facility, and any potential use of a third-party operator could reduce or eliminate ongoing O&M responsibilities that the City would otherwise incur.
C	Potrero Canyon Pacific Coast Highway Pedestrian Bridge	Pg 3, Rec 5	\$ -	-	August 2023	There is no General Fund impact as these costs will be funded by grant monies.
D	Sepulveda Boulevard Tunnel (LAX) - Fire Detection System Upgrade	Pg 4, A2, Rec 2	\$ 522,000.00		April 30, 2023	There is no General Fund impact for operations and maintenance as these costs will be funded by Special Fund monies.
E	Administrative Account Adjustment and City Hall Fourth Floor Media Room Modification	Pg 4, A1 and A2, Rec Nos. 1 and 2	\$ 525,026.00	-	May 2023	There is no General Fund impact for operations and maintenance as this is an administrative action.
F	Space Optimization, City Hall East P-4	Pg 5, A1, Rec Nos. 1 and 4	\$ 250,000.00		September 2023	There is no General Fund impact for operations and maintenance as this is an administrative action.
G	Fire Station No. 54 Renovations	Pg 5, A1, Rec 1	\$ 57,272.00		June 2023	There is no General Fund impact for operations and maintenance as this is an administrative action.
H	Space Optimization Program Funding Exchange and City Hall East 22nd Floor Mayor's Operation Inside Safe Office Renovation	Pg 5, A1, Rec Nos. 1 and 6	\$ 474,616.00		TBD	There is no General Fund impact for operations and maintenance as this is an administrative action.
			TOTAL \$ 2,431,416.00	\$ -		