

MOTION

BUDGET & FINANCE

LA Sanitation and Environment (LASAN)) provides services to ensure the public health and safety of our residents, communities, and the environment. Critical services include collection and recycling of solid resources materials for residential customers and City departments, the conveyance, collection and treatment of wastewater to meet regulatory requirements, and the management of the City's watershed to protect the beneficial uses of the receiving waters and comply with flood control mandates.

The LASAN is involved in a pending litigation matter, Vadnais Trenchless Services, Inc. (VTS) v. City of Los Angeles, alleging a breach of contract on the construction of a two-mile long, 54-inch diameter underground force main sewer across the Marina Del Rey and Ballona Creek in 2017. The City Attorney is utilizing outside counsel to address the litigation.

On May 13th, 2025, the Council approved funding in the amount of \$250,000 from the Sewer Construction and Maintenance Fund to support expert services to assist with the litigation (CF 24-0674-S1).

The City Attorney has requested additional funding for expert services to mount a successful defense. The additional support involves mediation, legal and expert engineering/construction consulting services from the following entities:

1. Christopher J. Soelling, PLLC for multi-day mediation sessions.
2. RJ Essex LLC for analysis and testimony regarding geotechnical baseline and data reports.
3. Berkeley Research Group, LLC for the analysis and testimony regarding Vadnais delay claims, baseline, critical path, scheduling issues and their impact on the project timeline, and Vadnais' Time Impact Analysis.
4. Delta Consulting Group for the analysis and testimony regarding Vadnais' alleged damages for extra work, delay, disruption, profits and markup, and any false claims by Vadnais.
5. Staheli Trenchless Consultants for the analysis and testimony regarding microtunneling boring machines used on the project.

I THEREFORE MOVE that the City Council, subject to the approval of the Mayor:


1. **AUTHORIZE** the Controller to transfer funds from Fund 760, Department 50, Bureau of Sanitation to Fund 100, Department 12, City Attorney as follows:

<u>Fund/Dept/Account No.</u>	<u>Account Name</u>	<u>Amount</u>
From: 760/50/50WX82	PW- Sanitation Expense and Equipment	\$400,000
To: 100/12/004200	Litigation	\$400,000


AUG 22 2025

2. **AUTHORIZE** LA Sanitation and Environment, subject to approval of the City Administrative Officer, to prepare Controller instructions for any technical adjustments to comply with the intent of the Council actions, and authorize the Controller to implement the instructions.

PRESENTED BY: _____


KATY YAROSLAVSKY
Councilwoman, 5th District

SECONDED BY: _____



ORIGINAL