

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: October 16, 2024

CAO File No. 0220-05445-0009

Council File No.

Council District: All

To: The City Council
The Mayor

From:  Matthew W. Szabo, City Administrative Officer
Chair, Proposition O Administrative Oversight Committee

Reference: Proposition O Administrative Oversight Committee Recommendations

Subject: **PROPOSITION O PROGRAM – BUDGET ADJUSTMENTS AND FUNDING
CONSIDERATIONS FOR FISCAL YEAR 2024-25**

RECOMMENDATIONS

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

1. Approve the modified Master Schedule for 2024-25 in Attachment A;
2. Approve the Aliso Creek-Limekiln Creek Restoration Project scope and budget adjustments in Attachment B as follows:
 - Authorize implementation of the Aliso Creek-Limekiln Creek Restoration Project (Project) to proceed in two (2) phases;
 - Authorize Phase 1 of the Project to proceed with the previously approved total project budget of \$16,140,089;
 - Instruct the Bureau of Engineering (BOE) and the Bureau of Sanitation (BOS) to secure additional funding for Aliso Creek-Limekiln Creek Restoration Project Phase 2 up to \$17 million for a total combined budget of \$32,933,806 for both phases. Once additional funding is identified, instruct BOE and BOS to report back to the Citizens Oversight Advisory Committee (COAC) and the Administrative Oversight Committee (AOC) for review, and prior to acceptance of any grant awards, to allow consideration of potential front funding from Proposition O; and,
 - Authorize the City Administrative Officer to make technical corrections, as needed, to the recommendations in this correspondence.
3. Approve the below recommendations in Attachment C - Penmar Water Quality Improvements Status and Update:
 - Identify and incorporate the Penmar Project (Phase I & II) assets into the Bureau of

- Sanitation (BOS) asset management system;
 - Continue to evaluate the condition of the Penmar Project (Phase I & II) and determine any necessary repairs and replacements;
 - Coordinate with the LA County Department of Public Health and LA County Public Works Department to re-evaluate existing stormwater capture and use guidelines to support the practical implementation of stormwater capture and use projects;
 - Complete and incorporate findings from the Los Virgenes Municipal Water District and multi-agency collaboration on runoff diversions and integrated water management study (the pilot study);
 - Continue to keep the Penmar Water Quality Improvement Phase III Project (Penmar Phase III) on hold until recommendations of the pilot study and discussions with the LA County Department of Public Health can be assessed; and,
 - Consult with the City Attorney to challenge the decision by the Los Angeles County Department of Public Health (LACDPH) requiring the City to comply with the updated February 2016 guidelines, given that construction on the Penmar project had already commenced under the previously approved 2011 guidelines.
4. Approve Proposition O staffing appropriation for fiscal year 2024-25 up to \$3,694,653 for the Bureau of Contract Administration, the Bureau of Engineering, and the Bureau of Sanitation to continue project implementation (Attachment D);
- a. Authorize the City Controller to reimburse the funding source(s) that are used to front-fund staffing costs for Proposition O Program for fiscal year 2024-25, subject to the approval of the invoices by the Office of the City Administrative Officer (CAO) per the below table:

From:		
16V/50/50HXAA	Strathern Pit Multiuse	\$ 2,398,322
16V/50/50P178	PW-Engineering	\$ 1,023,666
16V/50/50HYAC	Machado Lake Ecosystem Rehab	\$ 226,030
16V/50/50PZAC	Vermont Avenue Stormwater Capture	\$ 46,635
	Total	\$ 3,694,653
To:		
100/76/001010	PW-Contract Administration-Salaries	\$ 346,450
100/76/003310	PW-Contract Administration-Transportation	\$ 21,000
100/78/001010	PW-Engineering-Salaries	\$ 1,218,647
100/78/003310	PW-Engineering-Transportation	\$ 460

100/82/001010	PW-Sanitation-Salaries	\$ 985,872
100/82/003310	PW-Sanitation-Transportation	\$ 460
100/76/RSC 5361	PW-Contract Administration-Related Cost Reimbursement-Other	\$ 138,127
100/78/RSC 5361	PW-Engineering-Related Cost Reimbursement-Other	\$ 503,011
100/82/RSC 5361	PW-Sanitation-Related Cost Reimbursement-Other	\$ 480,626
	Total	\$ 3,694,653

- b. Request authorization from the City Controller to transfer of up to the amounts within these Proposition O bond fund accounts to the departmental budgets for BOE, BCA and BOS, subject to the review and approval of reimbursement invoices by the CAO;
5. Authorize the City Administrative Officer, in coordination with the Bureau of Engineering and the Bureau of Sanitation, to make technical corrections as needed to the above recommendations to implement Mayor and Council intentions.

SUMMARY

At a joint special meeting on August 29, 2024, the Administrative Oversight Committee (AOC) and Citizens' Oversight Advisory Committee (COAC) for Proposition O Clean Water General Obligation Bond reviewed reports from the Bureau of Engineering and Bureau of Sanitation (the Bureaus). The AOC endorsed the recommendations in the reports, which covered the revised 2024-25 Master Schedule, staffing allocations, and budget adjustments for projects. A key change involved splitting the Aliso Creek-Limekiln Creek Restoration Project into two phases. Phase I will proceed with the previously approved budget of \$16,140,089, while Phase II requires the Bureaus to secure up to \$17 million in additional funding. After additional funding is identified consideration can be given to using any available Proposition O funds as front funding. Additionally, the AOC approved the Penmar Water Quality Improvements Status Update Report with an extra recommendation, requesting the Bureau of Sanitation to consult the City Attorney to challenge the Los Angeles County Department of Public Health's (LACDPH) decision to apply the 2016 "Alternative Water Sources: Indoor and Outdoor Non-Potable Uses" guidelines to the Penmar project. These recommendations are now forwarded to the City Council for consideration.

UPDATED MASTER SCHEDULE FOR 2024-25 (Attachment A)

The Master Schedule for 2024-25 has been updated to reflect four modified project schedules.

Below are the details for the four modified project schedules:

- Aliso Creek – Limekiln Creek Restoration Project (CD12): The design phase, initially scheduled for completion in June 2016, will be extended by 11 months, pushing the

deadline to November 2024. As a result, the bid and award phase will be completed by May 2025, construction by August 2027, and post-construction activities by August 2028. The project aims to create a wetland to manage stormwater runoff from Aliso Creek, Limekiln Creek, and an existing open-channel storm drain, covering a drainage area of approximately 12,091 acres. The diverted water will then be filtered through a bio-retention basin for further treatment.

- Argo Drain Sub-Basin Facility (CD11): The post-construction phase, initially scheduled for completion between July 2022 and September 2024, will be extended by 12 months, now ending in September 2025. This extension is necessary to finalize post-construction activities, including obtaining Building and Safety certifications and securing the Board of Public Works' Acceptance.
- Taylor Yard G2 Water Quality Improvement Project (CD1): The pre-design phase will be extended to conclude in April 2024, which will push the design completion to May 2025, bid and award completion to October 2025, construction completion to March 2028, and post-construction completion to September 2028. The extension of the pre-design phase allows the formal initiation of the project to coincide with the construction phase of the Paseo del Río project. The formal pre-design phase is expected to take two years.
- Westwood Neighborhood Greenway SCADA (CD5): The design phase, originally set for completion between October 2022 and February 2024, will be extended by nine months, pushing the new deadline to November 2024. As a result, the bid and award phase will be extended to May 2025, construction to July 2026, and post-construction to July 2027. The extension is necessary to allow more time for the design phase and to incorporate additional scope of work requested by the Bureau of Sanitation (BOS). Despite the delay, there will be no additional budget impact.

ALISO CREEK-LIMEKILN CREEK RESTORATION PROJECT SCOPE AND BUDGET ADJUSTMENTS (Attachment B)

On February 16, 2021, the City Council approved an increase in the project budget (CF 13-1526), raising it from \$10,940,089 to \$16,140,089. This increase was based on a 2018 construction cost estimate. The project is currently in the design phase, which is about 95% complete. However, an updated construction cost estimate from September 2023 raised the total project cost to \$29,266,467, resulting in a budget shortfall of \$13,126,378.

The Bureau of Engineering (BOE) and Bureau of Sanitation (BOS) have proposed dividing the project into two phases. Phase I, planned for construction in fiscal year 2024-25, would include two diversion structures, a pump station, a hydrodynamic separator, and two bioretention basins, with an estimated cost of \$16,081,707, including escalation and contingency. This phase would stay within the currently approved funding.

Phase II, which would require additional funding, is scheduled for construction in the fiscal year 2027-28. It would include one diversion structure, a pump station, a hydrodynamic separator, and three bioretention basins, with a projected cost of \$16,852,099, including escalation and contingency. The combined estimated cost for both phases is \$32,933,806. BOE and BOS

recommend proceeding with Phase I under the approved budget while they work together to secure additional funding for Phase II.

PENMAR WATER QUALITY IMPROVEMENTS STATUS UPDATE (Attachment C)

The Penmar Water Quality Improvement Phase I Project (Penmar Phase I) was approved for Proposition O funding in 2007 to enhance water quality during both dry and wet conditions at Santa Monica Bay beaches. The project included a dry weather diversion of storm drain water to the sewer system and a wet weather diversion to an underground reservoir with a capacity of 2.75 million gallons. The captured stormwater was intended to be reused for irrigation at Penmar Golf Course, Penmar Park, and the City of Santa Monica's Marine Park. Construction of Penmar Phase I was completed in 2013.

Penmar Water Quality Improvement Phase II (Penmar Phase II) was designed and built to treat diverted stormwater for irrigation, in accordance with the 2011 Los Angeles County Department of Public Health (LACDPH) guidelines. This phase was completed in September 2018. However, in February 2016, LACDPH released updated "Guidelines for Alternative Water Sources: Indoor and Outdoor Non-Potable Uses," requiring the City to comply with these new standards. Due to the stricter standards for spray irrigation, the budget for Penmar Phase III was insufficient to award the design-build contract.

The Bureau of Sanitation (BOS) and Bureau of Engineering (BOE) recommended putting the Phase III project on hold until the results of a pilot study and discussions with LACDPH could be reviewed. During a joint special meeting of the AOC and COAC, the committees recommended that the Bureaus consult with the City Attorney to appeal LACDPH's decision to enforce the 2016 guidelines, as the Penmar project was initially approved under the 2011 guidelines.

FISCAL YEAR 2024-25 PROPOSITION O STAFFING APPROPRIATION (Attachment D)

During fiscal year 2024-25, six active projects will have work tasks that are being performed by City staff. A staffing appropriation up to \$3,694,653 for twelve full time equivalents (FTE) are needed to perform the work with the breakdown among the Bureaus as follows:

	No. of FTEs	Appropriation Amount
Bureau of Engineering	5	\$ 1,722,117
Bureau of Contract Administration	2	\$ 505,577
Bureau of Sanitation	5	\$ 1,466,959
Total	12	\$ 3,694,653

FISCAL IMPACT STATEMENT

There will be no impact on the General Fund. Funding will come from the Proposition O General Obligation Bond Fund. Operations and maintenance costs cannot be paid for from General Obligation bonds and will therefore be addressed through the City's annual budgeting process.

FINANCIAL POLICIES STATEMENT

The recommendations of this report comply with the City's Financial Policies as funding for the proposed projects is provided primarily from bond proceeds which are supported by voter-approved property tax revenue.

MWS:JSL:06250031

ATTACHMENTS

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: August 29, 2024

To: Proposition O Citizens Oversight Advisory Committee (COAC)
Proposition O Administrative Oversight Committee (AOC)

From: Christopher F. Johnson, PE, GE, Division Engineer
Clean Water Division
Bureau of Engineering

Subject: **PROPOSITION O MASTER SCHEDULE UPDATE FOR 2024-25**



Recommendation

Approve four (4) modified project schedules, zero (0) project additions, and zero (0) project close outs as shown in the Proposition O Master Schedule (Attachment) and described in this correspondence.

Four Projects with Modified Schedules

Aliso Creek – Limekiln Creek Restoration Project:

It is recommended that the design phase completion schedule, from June 2016 to December 2023, be extended by 11 months to end in November 2024. This will extend bid and award completion to May 2025, construction completion to August 2027, and post construction completion to August 2028.

The time-extension is required to update the design and obtain the required building and safety permits, complete maintenance and land-use agreements with LA County and the Department of Recreation and Parks.

Argo Drain Sub-Basin Facility

It is recommended that the post-construction phase completion schedule, from July 2022 to September 2024, be extended by twelve (12) months to end in September 2025. The time extension is required to complete post construction activities including obtaining Building and Safety certificates and the Board of Public Works' Acceptance.

Taylor Yard G2 Water Quality Improvements

It is recommended that the pre-design phase completion schedule, from March 2017 to July 2024, be extended by sixty (60) months to end in July 2029. This will extend the design completion to May 2025, the bid and award completion to October 2025, the

construction completion to March 2028, and post-construction completion to September 2028.

The project's pre-design schedule is extended such that formal project initiation begins during the Paseo del Río project's construction phase. The formal pre-design phase is anticipated to be two years.

Westwood Neighborhood Greenway SCADA

It is recommended that the design phase completion schedule, from October 2022 to February 2024, be extended by nine (9) months to end in November 2024. This will extend the bid and award completion to May 2025, the construction completion to July 2026, and the post-construction completion to July 2027.

Additional time is needed to complete the design phase and to incorporate the additional scope of work requested by BOS.

Project Additions

No new projects have been added since the last report.

Project Close Outs

No project has been closed out since the last report.

Attachment

CFJ/cj

Q:\Master Schedule\Master Schedule Memos\Master Schedule 2024-25


cc: Rafael E. Prieto, CLA
David Hirano, CAO
Salyna Cun, CAO
Julie Allen, BOS
Michael Scaduto, BOS
Ida Meisami-Fard, BOS
Alfred Mata, BOE
Brett McReynolds, BCA
Master File

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CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: August 29, 2024

To: Proposition O Citizens Oversight Advisory Committee (COAC)
Proposition O Administrative Oversight Committee (AOC)

From: Christopher F. Johnson, PE, GE, Division Engineer **ENGINEERING**
Clean Water Division
Bureau of Engineering 

Subject: **TECHNICAL CORRECTION TO PROPOSITION O MASTER
SCHEDULE UPDATE FOR 2024-2025**

Please make the following technical correction to the subject memorandum.

The following language replaces the paragraph under the Taylor Yard G2 Water Quality Improvements heading.

Taylor Yard G2 Water Quality Improvements

It is recommended that the pre-design phase completion schedule be extended to end in April 2024. This will extend the design completion to May 2025, the bid and award completion to October 2025, the construction completion to March 2028, and post-construction completion to September 2028.

CFJ/cj

Q:\Master Schedule\Master Schedule Memos\Master Schedule 2024-2025 r1

cc: Rafael E. Prieto, CLA
David Hirano, CAO
Salyna Cun, CAO
Julie Allen, LASAN
Michael Scaduto, LASAN
Ida Meisami-Fard, LASAN
Alfred Mata, BOE
Brett McReynolds, BCA
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CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: August 29, 2024

To: Proposition O Citizens Oversight Advisory Committee (COAC)
Proposition O Administrative Oversight Committee (AOC)

From: Christopher F. Johnson, PE, GE
Principal Civil Engineer
Bureau of Engineering, Clean Water Division



Michael Scaduto, P.E., ENV SP
Principal Environmental Engineer
Bureau of Sanitation, Safe Clean Water Implementation Division

Michael Scaduto Digitally signed by Michael Scaduto
Date: 2024.08.13 12:50:02-0700'

Subject: **ALISO CREEK-LIMEKILN CREEK RESTORATION PROJECT SCOPE AND BUDGET ADJUSTMENTS**

RECOMMENDATIONS

1. Authorize implementation of the Aliso Creek-Limekiln Creek Restoration Project (Project) to proceed in two (2) phases.
2. Authorize Phase 1 of the Project to proceed with the previously approved total project budget of \$16,140,089.
3. Authorize the Bureau of Engineering (BOE) and the Bureau of Sanitation (BOS) to secure funding for Aliso Creek-Limekiln Creek Restoration Project Phase 2 up to \$17 million for a total combined budget of \$32,933,806 for both phases. Authorize BOE and BOS to use Proposition O funding as the front funding source for Phase 2. Report back to the COAC and AOC when funding is secured.
4. Authorize the City Administrative Officer, in coordination with the BOE, to make technical corrections, as needed, to the recommendations in this correspondence.

BACKGROUND

On February 16, 2021, the Council authorized (CF 13-1526) an increase in the project budget of \$5,200,00 from \$10,940,089 to \$16,140,089. This increase was based on a construction cost estimate prepared in 2018. The Project is currently in the design phase and is approximately 95% complete. An updated construction cost estimate was prepared in September of 2023 which brought the estimated total project cost to \$29,266,467. This results in a budget gap of \$13,126,378. The increase in cost is due to scope changes and cost escalation since the 2018 cost estimate.

Scope changes by BOS include changing gravel maintenance access roads to be wider and constructed of asphalt concrete, and the addition of five concrete maintenance ramps for vehicular access into the basins. Design changes initiated by BOE include jacking and

boring for a force main, electrical and communication conduits to cross underneath Limekiln Creek instead of over the top of the channel utilizing an existing rail bridge. In addition, pandemic-era inflation in the cost of materials and labor contributed to the cost increase.

To initiate construction using the existing approved funding, BOE and BOS are proposing to construct the project in two phases. Phase 1 of the Project would begin construction in fiscal year 2024-25 and would include two diversion structures, one pump station, one hydrodynamic separator, and two bioretention basins with a total estimated project cost of \$16,081,707, including escalation and contingency. This cost is within the currently approved funding amount. Phase 2 would require additional funding, would begin construction in fiscal year 2027-28, and would include one diversion structure, one pump station, one hydrodynamic separator, and three bioretention basins with a total estimated project cost of \$16,852,099, including escalation and contingency. The total estimated project cost for the two phases would be \$32,933,806. BOE and BOS recommend delivering the Project in two phases by proceeding with construction of Phase 1 within the approved project budget while BOS and BOE coordinate efforts to secure additional funding for Phase 2.

BOS, with the assistance of BOE, submitted a Fiscal Year (FY) 2024-25 Capital and Technology Improvement Expenditure Program (CTIEP) budget request in the amount of \$15,650,000 over two years (FY 2024/25, \$8.0M and FY 2025/26, \$7.65M) to fund the full project. However, the CTIEP budget request was not approved.

To secure the additional funding necessary to construct Phase 2, BOS has included the Aliso Creek-Limekiln Creek Restoration Project (Phase 2) on its Water Quality Capital Improvement Prioritization list. Potential funding opportunities being considered by BOS include, but not limited to, potential Supplement Environmental Project (SEP) funding, future Safe Clean Water (regional / municipal) funding and grants.

CFJ/jb

Attachment: CF13-1526

Cc: Rafael E. Prieto, CLA
David Hirano, CAO
Jennifer Lau, CAO
Jacqueline Wagner, CAO
Jessica Quach, CAO
Alfred Mata, Engineering BOE
Bryan Powell, BOE
Roshanak Varjavand, BOE
Julie Allen, BOS
Michael Scaduto, BOS
Ida Meisami-Fard, BOS
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CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: August 13, 2024

To: Proposition O Citizens Oversight Advisory Committee (COAC)
Proposition O Administrative Oversight Committee (AOC)

From: Christopher F. Johnson, PE, GE, Division Engineer
Clean Water Division
Bureau of Engineering



Michael Scaduto, PE, ENV SP
Principal Civil Engineer
Safe Clean Water Implementation Division
Bureau of Sanitation

Michael Scaduto

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Date: 2024.08.13 09:46:04-07'00'

Subject: **PENMAR WATER QUALITY IMPROVEMENTS STATUS UPDATE**

Recommendations

1. Identify and incorporate the Penmar Project (Phase I & II) assets into the Bureau of Sanitation (BOS) asset management system;
2. Continue to evaluate the condition of the Penmar Project (Phase I & II) and determine any necessary repairs and replacements;
3. Coordinate with the LA County Department of Public Health and LA County Public Works to reevaluate existing stormwater capture and use guidelines to support the practical implementation of stormwater capture and use projects;
4. Complete and incorporate findings from the Los Virgenes Municipal Water District and multi-agency collaboration on runoff diversions and integrated water management study; and,
5. Continue to keep the Penmar Water Quality Improvement Phase III Project (Penmar Phase III) on hold until recommendations of the pilot study and discussions with the LA County Department of Public Health can be assessed.

BACKGROUND

Penmar Water Quality Improvement Project Phase I, II and III

The Penmar Water Quality Improvement Phase I Project (Penmar Phase I) was approved for Proposition O funding in 2007 to help improve water quality (dry and wet) at the Santa Monica Bay beaches, and included a dry weather diversion of the storm drain to sewer and a wet weather diversion to an underground storage reservoir of 2.75 million gallons. Captured stormwater was intended to provide a source of water to be reused to irrigate

Penmar Golf Course, Penmar Park and the City of Santa Monica Marine Park. Construction of Penmar Phase I was completed in 2013.

The Penmar Water Quality Improvement Phase II Project (Penmar Phase II) was designed and constructed to provide treatment of the diverted stormwater for irrigation in compliance with the 2011 Los Angeles County Department of Public Health (LACDPH) “Guidelines for Alternate Water Sources: Indoor and Outdoor Non-Potable Uses” (2011 Guidelines). To meet these guidelines, the project constructed a batch chlorination disinfection system. To meet the 2011 guidelines the City obtained approval from LACDPH for Penmar Phase II in July 2014. Phase II construction began in March 2016 and was completed in September 2018.

In February 2016 LACDPH published updated “Guidelines for Alternative Water Sources: Indoor and Outdoor Non-Potable Uses.” The 2016 adopted guidelines set stringent target standards for spray irrigation. The minimum water quality standards require captured stormwater to meet one of the following criteria: California Maximum Contaminant Levels (MCL), California Toxic Rule (CTR) and National Science Foundation (NSF) 350 or California Code of Regulations (CCR) Title 22 Recycled Water Quality Equivalence at the Point of Use. These standards are typically applied to drinking water standards.

In June 2016 LACDPH sent a revised approval letter to the City requiring Penmar Phase II to meet the newly published guidelines. Given that the Penmar Phase II project was in construction the City continued with completing Phase II per the approved design and would address meeting the 2016 LACDPH guidelines under Penmar Water Quality Improvement Phase III Project (Penmar Phase III). Penmar Phase III would include upgrading the treatment building to include the addition of zeolite filters and replacement of the chlorination system with a UV system.

To fund these upgrades, the Bureau of Sanitation (BOS) secured \$2,541,451 through the State Proposition 84 Integrated Regional Water Management (IRWM) grant for Penmar Phase III. In April 2021, the City Council approved Penmar Phase III for an authorized budget of \$2,541,451 with front funding provided by Proposition O. To meet the December 2022 grant deadline, a design-build delivery approach was intended to be used; however, all bids received were above the City Engineer’s estimate of \$1,660,730. The lowest bid received was \$3,989,000, which is \$2.3M million higher than the City Engineer’s estimate.

The Penmar Phase III budget was not sufficient to award the design-build contract. On March 31, 2022, the Prop O AOC considered a Bureau of Engineering (BOE) report to increase the project budget by \$3.1 million to fill the funding shortfall. The AOC did not approve the budget increase but requested BOE and BOS to identify other funding sources for it, including whether the grantor could provide additional grant funds for the project.

BOS’s request for a grant extension was also not granted because the City could not demonstrate how the funding shortfall would be filled, and the grant funds were repurposed by the grantor.

DISCUSSION

LA County Department of Public Health Stormwater Capture Guidelines

Through a joint effort with the University of California, Los Angeles (UCLA), the Natural Resource Defense Council (NRDC) and BOS collaborated in the preparation of the Penmar Water Quality Improvement Review research paper. The research and finding determined that implementation of the NSF 350 requirements, although well-intentioned, inadvertently created challenges to the goals of offsetting potable demand by using stormwater capture.

The financial and operational burden of meeting current standards for stormwater reuse as spray irrigation have led to implementation and operational challenges. The stormwater reuse challenges observed by this project have prompted a County wide discussion. To work towards practical regulations, Los Angeles County Supervisor Horvath (Third District), has scheduled a September 4th meeting with LACDPH, LA County Department of Public Works (LACDPW), NRDC and BOS to understand the challenges and identify opportunities to revisit the requirements for treating stormwater for irrigation projects.

Current Operations & Maintenance

Proposition O funds are not eligible to support the ongoing operations and maintenance of projects and BOS does not have sufficient resources to adequately maintain all the facilities constructed by the Proposition O program. In addition, since the City was not able to utilize the captured stormwater for irrigation due to the LACDPH requirements, BOS has not performed significant operations and maintenance on the tank and disinfection facilities.

Upon completion of Penmar Phase I in 2013, BOS was responsible for operation of the facility. As was intended, dry weather flow during the dry weather days is diverted to the sanitary sewer for further treatment at the Hyperion Water Reclamation Plant.

Under this operation the City has substantially reduced its dry weather exceedances at the downstream Rose Avenue storm drain outfall. Over the last nine years there have only been two (2) dry weather exceedance days, in 2014 and 2023 respectively, marking a seven-year period, from 2015 to 2022, with no exceedance days reported.

Ongoing Improvements

BOS is implementing system integration and SCADA upgrades at all their facilities, including the Penmar Water Quality Improvement Project, which will allow for remote telemetry monitoring and pump station control to efficiently manage operations, reducing the need for manual operation of the facility.

BOS is currently participating in a pilot study led by with Los Virgenes Municipal Water District (LVMWD), Los Angeles County Sanitation District, LACDPW, City of Los Angeles Department of Water and Power (LADWP) which aims to maximize wet weather diversions, and create a new source of recyclable water, while reducing discharged pollutants to receiving waters through the optimization of existing wet weather diversion projects, like the Penmar Water Quality Improvement Project. The pilot intends to begin physical assessments of the project's ability to manage storm events in the FY 2024/25 storm season with the overall intent of providing a pathway for an alternate project objective of an equal or greater benefit to those set at the inception of the project.

cc: Rafael E. Prieto, CLA
David Hirano, CAO
Jennifer Lau, CAO
Jacqueline Wagner, CAO
Janice Yu, CAO
Jessica Quach, CAO
Julie Allen, BOS
Ida Meisami-Fard, BOS
Alfred Mata, BOE
Christopher Johnson, BOE
Roshanak Varjavand, BOE
Master File

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Attachment D

Date: August 29, 2024

To: Proposition O Citizens Oversight Advisory Committee (COAC)
Proposition O Administrative Oversight Committee (AOC)

From: Christopher F. Johnson, PE, GE, Division Engineer
Proposition O Clean Water Division
Bureau of Engineering



Subject: **PROPOSITION O STAFFING APPROPRIATION FOR
FISCAL YEAR 2024-25**

RECOMMENDATIONS

1. Approve the appropriation of up to \$3,694,653 for Proposition O staffing costs for the Bureaus of Contract Administration (BCA), the Bureau of Engineering (BOE), and the Bureau of Sanitation (BOS) to continue and sustain project implementation.
2. Authorize the Office of the City Administrative Officer (CAO), in conjunction with BOE, to review proposed staffing cost and to make technical corrections as needed to the recommendations in this correspondence.

BACKGROUND

During fiscal year 2024-25, six (6) active projects will have work tasks that are being performed by City staff. Based on a City-wide review of fiscal year 2024-25 work levels and the proposed 2025 Master Schedule, a staffing appropriation of twelve (12) full time equivalents (FTE), not to exceed \$3,694,653 is recommended (See Attachment).

For the BCA, an appropriation for two (2) FTE, up to \$505,577, is requested for contract management and construction inspection tasks for fiscal year 2024-25. An appropriation for overtime and mileage is also included in the attachment.

For the BOE, an appropriation for five (5) FTE, up to \$1,722,117, is requested for program management, project implementation and other direct costs and support that are charged directly to projects by Proposition O Clean Water Division staff members. The requested five (5) FTE are sufficient for the management and support of the six (6) active projects during fiscal year 2024-25. An appropriation for overtime and mileage are also included in the attachment.

For the BOS, an appropriation for five (5) FTE, up to \$1,466,959, is requested to provide technical support, assist with the preparation of technical documents, and provide critical interfacing between BOE and operating workforce for proper design

and construction of the ongoing projects. An appropriation for overtime and mileage is also included in the attachment.

Funding Transfer Requests

(1) Instruct the Controller to reimburse the funding source that are used to front-fund staffing costs for Proposition O Program for fiscal year 2024-25, subject to the approval of the invoices by the CAO per the below table:

From:		
16V/50/50HXAA	Strathern Pit Multiuse	\$ 2,398,322
16V/50/50P178	PW-Engineering	\$ 1,023,666
16V/50/50HYAC	Machado Lake Ecosystem Rehab	\$ 226,030
16V/50/50PZAC	Vermont Avenue Stormwater Capture	\$ 46,635
	Total	\$ 3,694,653
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100/82/RSC 5361	PW-Sanitation-Related Cost Reimbursement-Other	\$ 480,626
	Total	\$ 3,694,653

(2) Request authorization from the City Controller to transfer of up to the amounts within these Proposition O bond fund accounts to the departmental budgets for BOE, BCA and BOS, subject to the review and approval of reimbursement invoices by the CAO.

Attachment

cc: David Hirano, CAO
Jennifer Lau, CAO
Michael Scaduto, BOS
Angelica Samayoa, BCA
Miguel De La Pena, Office of Accounting
Robert Kadomatsu, BOE

Fiscal Year 2024-25 Proposition O Staff Costs by Bureau and FTE
Estimates for July 1, 2024 through June 30, 2025
(Based on Modified CAP 42 Rates)

Attachment

					A	B	C	D	E=A+B+C+D
Dept No.	FTEs	Position Resource Level	Base Labor	CTO	Gross Labor	Overtime	Mileage	Fringe Benefits	Total Costs
76	2.00	Construction Inspector	\$ 230,598	19.56% \$ 45,105	\$ 275,703			50.10% \$ 138,127	\$ 413,830
76	2.00	Total-Bureau of Contract Admin	\$ 230,598	\$ 45,105	\$ 275,703	\$ 70,747	\$ 21,000	\$ 138,127	\$ 505,577
78	0.50	Principal Civil Engineer	\$ 112,543	20.58% \$ 23,161	\$ 135,704			47.45% \$ 64,392	\$ 200,096
	0.20	Sr Civil Engineer	\$ 38,540	\$ 7,932	\$ 46,472			\$ 22,051	\$ 68,523
	1.00	Sr. Construction Engineer	\$ 192,701	\$ 39,658	\$ 232,359			\$ 47,819	\$ 280,178
	1.20	Civil Engineer	\$ 196,664	\$ 40,474	\$ 237,138			\$ 112,522	\$ 349,660
	0.20	Environmental Affairs Officer	\$ 37,179	\$ 7,651	\$ 44,830			\$ 21,272	\$ 66,102
	0.20	Environmental Supervisor I	\$ 32,777	\$ 6,746	\$ 39,523			\$ 8,134	\$ 47,657
	2.00	Civil Eng Assoc III	\$ 301,548	\$ 62,059	\$ 363,607			\$ 172,531	\$ 536,138
	0.70	Civil Eng Assoc II	\$ 94,886	\$ 19,528	\$ 114,414			\$ 54,289	\$ 168,703
78	6.00	Total-Bureau of Engineering	\$ 1,006,839	\$ 207,208	\$ 1,214,047	\$ 4,600	\$ 460	\$ 503,011	\$1,722,117
82	2.00	Environmental Eng Assoc II	\$ 271,104	19.61% \$ 53,163	\$ 324,267			48.98% \$ 158,826	\$ 483,094
	1.00	Civil Eng Assoc IV	\$ 163,887	\$ 32,138	\$ 196,025			\$ 96,013	\$ 292,038
	2.00	Sr Environmental Engineer	\$ 385,402	\$ 75,577	\$ 460,979			\$ 225,788	\$ 686,767
82	5.00	Total-Bureau of Sanitation	\$ 820,393	\$ 160,879	\$ 981,272	\$ 4,600	\$ 460	\$ 480,627	\$1,466,959
	13.00	GRAND TOTAL	\$ 2,057,830	\$ 413,192	\$ 2,471,022	\$ 79,947	\$ 21,920	\$ 1,121,765	\$3,694,653