

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0220-05890-0000

Date: October 15, 2021

To: The Council

From: Matthew W. Szabo, City Administrative Officer Sharon M. Tso, Chief Legislative Analyst Subject: **SIGN POSTING – LAMC 41.18****SUMMARY**

On September 14, 2021, the Council instructed our Offices to report in 15 days on the necessary staff and funding for the printing and installation of Los Angeles Municipal Code Section 41.18 Subsection C signage relative to the times and locations where it is unlawful for a person to sit, lie, sleep, or to store, use, maintain, or place personal property in the public right-of-way.

As of October 6, 2021, the Council has submitted requests for 116 locations to be posted. Due to the quick turnaround required, we did not have time to conduct field surveys and assess the signage requirements of each location. The City Attorney advises that each site will require signage at each entry point into the enforcement area, which will result in custom tailoring of signage for each. Therefore, cost estimates were developed using a standardized assumption of twenty 12x36 signs and five replacements for each location. Additionally, to simplify cost estimation, two scenarios were used – installing all signs on new sign posts and installing all signs on existing posts such as street lights. These assumptions may not be accurate for every location but allows us to understand and compare costs.

There remain unresolved issues relating to the acquisition of sufficient metal/materials, the hiring of sufficient workers, the potential need for security for workers installing the signage, the level of sign maintenance required, and the speed with which the work can be performed. Therefore, additional funding and resource adjustments may be necessary as the sign posting program continues to roll out. In light of these issues, we recommend the inclusion of a small contingency amount to increase the likelihood that all 116 sites can be completed without returning to the Council and Mayor for additional funding.

The following three options for posting 41.18 signs were reviewed:

- The Department of Transportation;
- The General Services Department; and,
- Outside Contractor Services.

Due to the number of issues yet to be worked out and the resulting uncertainties, we are recommending that the City deploy both the Department of General Services (GSD) and an existing City contractor, Ilium Associates, Incorporated (Ilium), to maximize the opportunity to fabricate and post signs as quickly as possible. This will also provide a real-time field test to determine which option is most appropriate over the long-term. The recommendations assume assignment of an equal number of locations to GSD and the contractor.

RECOMMENDATIONS

That the Council:

1. Consistent with Charter Section 1022, determine that it is more economical to contract out the fabrication, installation and maintenance of signs implementing Los Angeles Municipal Code Section 41.18, Subsection C relative to the times and locations where it is unlawful for a person to sit, lie, sleep, or to store, use, maintain, or place personal property in the public right-of-way;
2. Authorize the General Manager of the Department of Transportation, or designee, to execute an amendment to Contract 128772 with Ilium Associates, Incorporated to fabricate, install and maintain signs implementing Los Angeles Municipal Code Section 41.18, Subsection C and to increase the ceiling of the contract by \$3,000,000 for this work;
3. Instruct the General Manager of the Department of General Services to work with the Department of Transportation and the contractor Ilium Associates, Incorporated with the assistance of the City Attorney and City Administrative Officer, as necessary, to fabricate, install and maintain signs implementing Los Angeles Municipal Code Section 41.18, Subsection C and to report actual costs for each Council designated site to the City Administrative Officer; and,
4. Subject to the approval of the Mayor:
 - a. Transfer \$1,000,000 from the General Fund, General City Purposes - Additional Homeless Services Commitment and Balances, Fund 100, Department 56, Account 000931 to the Department of Transportation, Department 94, Fund 100, Contractual Services Account 003040 for the fabrication, installation and maintenance of signs implementing Los Angeles Municipal Code Section 41.18, Subsection C;
 - b. Transfer \$1,000,000 from the General Fund, General City Purposes - Additional Homeless Services Commitment and Balances, Fund 100, Department 56, Account 000931 to the Department of General Services, Department 40, Fund 100, as follows:
 - i. \$240,000 to Account 001014, Salaries General
 - ii. \$400,000 to Account 001101 Hiring Hall Construction
 - iii. \$160,000 to Account 001121, Benefits Hiring Hall Construction
 - iv. \$200,000 to Account 003180 Construction Materials; and,
 - c. Authorize the City Administrative Officer to make technical corrections, if needed, to effectuate the intent of the Council and Mayor.

BACKGROUND

The CAO and CLA initially consulted all City Departments involved in the implementation of the Section 41.18 Street Strategy to identify issues and opportunities involved with the installation of signage for this program. The result was the identification of three options to implement the signage posting component of the program. The CAO, with assistance of the CLA, then conducted an in-depth review of staffing, costs, and other program elements to develop a comparative understand of these options. The result is that both the GSD option and the Ilium option offer similar costs and delivery services. At this time, it is recommended that both be deployed to implement the signage program due to the urgency of meeting the needs of the Street Strategy. It is also recommended that their services be evaluated to identify program refinements.

The following provides analysis of the three options evaluated.

The Department of Transportation (DOT) Sign Shop and Posting

The DOT sign fabrication and posting function has a total of 88 Traffic Paint and Sign Poster positions authorized, of which 40 are vacant. As currently staffed and resourced, DOT estimated that it would take nine months to post signs for the 86 locations identified by the Council on October 4, 2021. Implementation of all 116 locations will take longer.

DOT could prioritize filling the vacant positions, however, this process would take several months and would delay other important hiring within the Department. Even if all the vacant positions are filled, posting would still not be accelerated during the time it takes to fill positions.

Another option would be for the City Council to determine that the posting of 41.18 signs to be the second highest priority after traffic safety and instruct DOT to delay posting of all other signs until the 41.18 signs were posted. This would have the potential to create delays in sign posting for Oversize Vehicle Parking, Permit Parking, street resurfacing projects and film location shooting.

DOT reported that GSD's cost of installation would be lower.

Since the impact on other sign services would potentially be significant and the cost would be highest of the three options, requesting that DOT post LAMC 41.18 signs is not recommended at this time.

The General Services Department

The Department of General Services (GSD) Construction Forces Division is capable of fabricating and posting signs. GSD provided a cost estimate for the installation of the 41.18 signs using one of the Council Motions as an example. The estimate:

- Includes an initial assessment of each site, design of site specific signs (in accordance with instructions from the City Attorney), fabrication and installation of signs and maintenance of the signs (three days per month for 12 months);

- Assumes installation of temporary coroplast signs and permanent aluminum signs (12 x 36) in both English and Spanish;
- Assumes three different methods of installation - on an existing light pole, using a new standalone pole, and on an adjacent fence or building; and,
- Assumes 20 signs per location, with five extra signs for replacement as needed, and that each location would use only one method of installation.

Using the estimated cost of the Motion and extrapolating to all 116 locations results in an overall estimated cost of \$1,276,000 to \$1,702,000, depending upon the number of signs required and methodology. Until the City has the opportunity to individually assess future sites, the cost of GSD posting additional sites can be estimated at approximately \$10,998 to \$14,669 per site.

The GSD Construction Forces Division is not funded in the Budget for this work, cannot absorb these costs, and will require a transfer of funds to perform this work.

GSD's estimate also provides a timeline for fabrication and installation of signs for each location. It is estimated that it will take two weeks to secure the material to make the signs as there is a shortage of material currently available. It is also estimated that it will take five hours to do the initial site assessment, one day to print the signs and approximately two days to post signs. This is the fastest implementation option based upon one location.

The overall time to install signs at all 116 locations will need to be developed further and will likely depend upon the priorities established for each location and the schedule for implementation.

Using an Outside Contractor

On December 13, 2016, the DOT Transit Division procured a contractor to help provide sign posting services in support of the City transit service. This contractor, Ilium, is able to also fabricate and install 41.18 signs and has provided a cost estimate. As with GSD, there was not time to survey each of the 116 locations identified so far by the Council. Ilium used the same assumptions as GSD to allow for an estimate to be created for comparison. The estimate:

- Includes an initial assessment of each site, design of site specific signs (in accordance with instructions from the City Attorney), fabrication and installation of signs, and maintenance of the signs (three days a month for 12 months);
- Assumes installation of both temporary coroplast signs and permanent aluminum signs (12 x 36) in both English and Spanish;
- Assumes two different methods of installation - on an existing light pole, and using a new standalone pole; and,
- Assumes 20 signs per location, with five extra signs for replacement as needed, and that each location would use only one method of installation.

The number of signs required at each location and the installation method for each sign will vary. Thus, the actual costs of posting each location will vary from the estimates. Ilium estimates that the cost of posting the 116 sites is approximately \$1,214,000 to \$1,603,000. We estimate that the cost of administering the contract will be \$84,000 for the remainder of the fiscal year. Until

the City has the opportunity to individually assess future sites, the cost of Ilium posting additional sites, including contract administration, can be estimated at approximately \$11,192 to \$14,549 per site. This is approximately \$194 higher per site than GSD when installing on existing poles and approximately \$120 less per site than GSD when installing new poles. Since it is likely that every site will require a different mixture of posting methodologies, the GSD and Ilium cost estimates are essentially equal.

Ilium's estimate also provides a timeline for fabrication and installation of signs for each location. It is estimated that it will take two weeks to secure the material to make the signs which is the same as GSD. Ilium did not provide an estimate of the hours required for an initial assessment of each site. Instead, they provided a price for the initial assessment of all 116 sites. Ilium also stated that it would take approximately one week to print the signs and approximately one week to post signs for one location.

As with GSD, the overall time to install signs at all 116 locations will need to be developed further and will likely depend upon the priorities established for each location and the schedule for implementation. At this time, Ilium is concerned about the ability to acquire sufficient amounts of metal and the necessary staff. Thus, while posting of some locations will begin immediately, they estimate that it could take up to five months to complete the posting of permanent signs at all 116 locations.

The current Ilium contract expires on December 31, 2021 and Council approval is required to amend this Contract to include 41.18 sign posting. Should amendment of the contract be approved, it is recommended that the ceiling of the contract be raised by \$3,000,000 to allow room for additional sites and that the contract be extended an additional year.

Administration of the scope of work for this contract related to the 41.18 posting will involve field visits to all Council designated sites and will be as follows:

- In the short term, DOT has agreed to use a retired employee returning for 120 days. DOT has stated that this can be absorbed within the existing 2021-22 Budget; and,
- In the long term, by the City Administrative Officer, Homeless Group, once outreach staff are obtained.

FISCAL IMPACT STATEMENT

There is no incremental impact on the General Fund. Approval of the recommendations will result in a projected expenditure of up to \$2 million. This includes fabrication and installation of signs and one year of maintenance. Any additional required maintenance cost will be determined at a later date.