

## REPORT FROM

# OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: April 13, 2022

CAO File No. 0640-01399-0117

Council File No. 21-1028-S3

Council District: All

To: Mayor  
Council

From: Matthew W. Szabo, City Administrative Officer 

Reference: 2021-22 Fourth Construction Projects Report

Subject: **2021-22 Fourth Construction Projects Report - Addendum**

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## SUMMARY

On March 30, 2022, this Office released the 2021-22 Fourth Construction Projects Report (CPR) that provides updates for major capital projects and associated financial transactions (C.F. 21-1028-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 \$6,201,285 between Departments and Funds as specified in Attachment 1;
2. Authorize the Controller to transfer \$1,716,947 between accounts within Departments and Funds as specified in Attachment 2;
3. Authorize the City Administrative Officer (CAO) to make technical corrections, as necessary, to the transactions included in this Addendum to the 2021-22 Fourth Construction Projects Report, as required to implement the intent of those transactions.

## FISCAL IMPACT

Transfers, appropriations, and expenditure authority totaling \$7.9 million are recommended in this report. Of this amount, \$4.2 million is for transfers, appropriations, and expenditure authority for the Bureau of Engineering, \$1.5 million for Bureau of Sanitation, and \$2.2 million 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.

## **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) – Vision Theatre CDBG Attachment No. 1 Recommendation No. 1**

An appropriation of \$4,225,000 in CDBG funds to the Engineering Special Services Fund and Information Technology Agency (ITA) budgetary accounts is recommended to provide necessary cash flow to continue scheduled construction activities for the Vision Theater project located at 3341 West 43<sup>rd</sup> Place. On November 15, 2021, Council approved the award of these funds to the Vision Theater project as part of the 47th Program Year Consolidated Plan (C.F. 21-1296). Previous funding for this project totals \$28,374,243 and includes CDBG (\$10,732,527), CTIEP (\$7,501,032), and MICLA (\$10,140,684). The Vision Theatre project scope includes the refurbishment, retrofit, and conversion of the City-owned facility into a functional performance venue. The current target for substantial completion of the facility is June 2022, with additional work related to the purchase and installation of audio visual equipment to be initiated in May 2022 based on input to be provided by the non-profit operator selected through a Request for Proposals process currently underway. Council approval is required to appropriate the funds to the Engineering Special Services Fund. *O&M Fiscal impact: Although the current intent is to assign responsibility for associated operations and maintenance costs to a third-party operator, there is a potential impact to the General Fund for any costs that may be assigned to the City as part of the negotiation process for the operating agreement, with the final proposed terms of that agreement to be subject to Council approval*

### **B. Bureau of Sanitation (BOS) - Ballona Creek Total Maximum Daily Load Project Measure W - Safe, Clean Water Municipal Program Special Fund Attachment No. 2 Recommendation No. 2**

A transfer of \$1.5 million in Measure W - Safe, Clean Water Municipal Program Special Fund monies for the Ballona Creek Total Maximum Daily Load (TMDL) project is recommended to address shortfalls that are the result of cost escalations. The Ballona Creek TMDL project is a collaborative project with Los Angeles County and four municipalities to provide up to 7.3 million gallons per day (MGD) of treated water to receiving water bodies and 23 MGD of diverted water to the Hyperion Water Reclamation Plant. The project is currently undergoing

permitting and the estimated start of construction is September 2022. *O&M Fiscal Impact: There is no General Fund Impact for operations and maintenance as this is an administrative action.*

**C. Bureau of Street Lighting (BSL) – Great Streets Project  
Measure M – Local Return Fund  
Attachment No. 1  
Recommendation No. 1**

Appropriations totaling \$357,000 from Measure M Local Return Fund monies to BSL’s budgetary accounts is recommended for lighting at three Great Streets projects. The projects are estimated to be completed by December 2022. Council Approval is required to appropriate funds to Department’s budgetary accounts.

CD	Project Name	Scope	Cost
1	Alvarado Street	Install six bus stop security lights on new poles and three bus stop lights on existing poles on Alvarado Street from 7th Street to Wilshire Boulevard.	\$ 156,000
8	Manchester Avenue and Vermont Avenue	Install six bus stop security lights on new poles on the northwest corner and southeast corner of the intersection.	126,000
7	San Fernando Road	Install 24 LED bollards on the existing bike path along San Fernando Road between Polk Street and Astoria Street.	75,000
<b>Total:</b>			<b>\$ 357,000</b>

*O&M Fiscal Impact: There is no General Fund impact for operations and maintenance as these costs are funded by Special Fund monies.*

**D. Bureau of Street Services (BSS) – Measure W Regional Project Feasibility Studies  
Measure W - Safe, Clean Water Municipal Program Special Fund  
Attachment No. 1  
Recommendation No. 1**

Transfer of \$500,000 in Measure W - Safe, Clean Water Municipal Program Special Fund monies to BSS’ budgetary accounts is recommended to fund two feasibility studies for the Measure W Safe, Clean Water Program. The BSS is currently developing the Sepulveda Mission Mile project and Eagle Rock Boulevard Stormwater Capture Strategy project. The feasibility studies will assess the engineering, regulatory, and environmental factors to fully

implement projects as well as identify potential water supply, water quality, and community benefits. The development of feasibility studies is a requirement of the Los Angeles County's Safe, Clean Water Regional program in order to apply for funding consideration. *O&M Fiscal Impact: There is no General Fund Impact for operations and maintenance as this is an administrative action.*

**E. CAO – Potrero Canyon Transfers  
Potrero Canyon Stabilization and Park Fund  
Attachment No. 1  
Recommendation No. 1**

A transfer of \$469,285 from the Potrero Canyon Stabilization and Park fund to the Potrero Canyon Trust Fund is recommended to partially resolve a construction shortfall for the current phase of the Potrero Canyon project. These funds were originally transferred in order to pay for BOE staff costs for the development of this project (C.F. 20-1021-S4). However, it is the practice to defer the payment of staff costs to ensure sufficient cash availability to fully fund construction costs. The current phase of the Potrero Canyon project has a \$1 million shortfall due primarily to storm damage and other necessary change orders. To partially address this projected shortfall, the reversion of \$469,285 in project funds previously transferred to reimburse for BOE salary costs is recommended through this report. This reversion balance would be used to fund the additional scope of work due to storm damage in a timely manner and to prevent conditions from deteriorating further. The project management team has identified other potential options for addressing the remaining shortfall, to be addressed through subsequent reports. Council approval is required to appropriate funds to the Potrero Canyon Trust Fund. *O&M Fiscal Impact: There is no General Fund impact for operations and maintenance as this is an administrative action.*

**F. CAO – Underground Storage Tank Removal and Nuisance Abatement at  
Lincoln Heights Jail  
CTIEP  
Attachment No. 1  
Recommendation No. 1**

A transfer of \$350,000 in CTIEP funds is recommended to address the following scope of work at the Lincoln Heights Jail (LHJ): (1) Removal of underground fuel storage tanks (UST) - \$152,000; and, (2) Nuisance abatement to replace and reinstall water pipes/lines that were removed or damaged during recent vandalism, which is necessary in order to restore utility services at the adjoining yards and shops facility - \$198,000. LHJ is located at 401 North Avenue 19. The UST removal work is legally required. The UST scope includes reassessment, clean-up, removal/disposal of impacted soil and UST, and associated UST removal work, including replacement of the parking lot surface with concrete.

Project / Scope of Work	Amount
Removal of legally required underground fuel storage tank at the LHJ site, including reassessment, clean-up, removal/disposal of impacted soil and UST, and associated UST removal work, including replacement of the parking lot surface with concrete.	\$152,000
Replacement/reinstallation of water pipes and water lines and associated abatement and repairs needed at LHJ facility	198,000
<b>Total</b>	<b>\$350,000</b>

Council previously authorized funding of \$350,000 in CTIEP monies originating from the Nuisance Abatement program to a dedicated account for the UST work as part of the adoption of the 2021-22 First CPR (C.F. 21-1028). Due to the urgency and legally required nature of the work, CAO assisted LASAN and facilitated release of a Request for Bids (RFB) utilizing the CAO Pre-Qualified List of Real Estate and Economic Development consultants (C.F. 12-1549). AECOM Technical Services submitted the only response, and was tentatively awarded the contract for \$152,000 but the work cannot begin because of the inability of LASAN to process payments. Due to the need to move forward with the UST work and because the balance of the funds are needed for nuisance abatement, authority is needed to transfer the \$350,000 in authorized funds to GSD’s and CAO’s budgetary accounts. *O&M Fiscal impact: There is no General Fund impact for operation and maintenance as this is an administrative action.*

**G. GSD – Animal Services Facilities Projects, East Valley Animal Shelter**  
**CTIEP**  
**Attachment No. 2**  
**Recommendation No. 2**

An appropriation of \$40,053 in CTIEP funds to GSD’s budgetary accounts is recommended to replace the underground radiant heat piping - HVAC system at East Valley Animal Shelter. The estimated completion date of this project is August 2022. Council authority is required to appropriate the funds to GSD’s budgetary accounts. *O&M Fiscal Impact: There is no General Fund impact for operations and maintenance as this is an existing facility.*

**H. GSD – Building Hazard Mitigation Projects, North District Sewer Maintenance Yard**  
**CTIEP**  
**Attachment No. 2**  
**Recommendation No. 2**

An appropriation of \$13,484 in CTIEP funds to GSD’s budgetary accounts is recommended to fund the removal of asbestos and mold hazards encountered during maintenance at North District Sewer Maintenance Yard. The scope of work includes the removal and disposal of asbestos containing materials (ACM) pipe insulation and roof penetrations. The estimated

completion date of this project is June 2022. Council authority is required to appropriate the funds to GSD's budgetary accounts. *O&M Fiscal Impact: There is no General Fund impact for operations and maintenance as this is an existing facility.*

**I. GSD – Bureau of Engineering (BOE) CD 13 Tiny Home Village Deals and Banners**  
**Revenue Source**  
**Attachment No. 2**  
**Recommendation No. 2**

An appropriation of \$1,006 in GSD revenue to GSD's budgetary accounts is recommended for work completed for BOE. The scope of work includes the design and fabrication of a Banner and 55 Decals for the CD 13 Tiny Home Salvation Village in Westlake. The work was completed in December 2021. Council authority is required to appropriate the funds to GSD's budgetary accounts. *O&M Fiscal Impact: There is no General Fund impact as these costs are funded by Special Fund monies.*

**J. GSD – Bureau of Engineering (BOE) Engine Company 23 - Filming**  
**Revenue Source**  
**Attachment No. 2**  
**Recommendation No. 2**

An appropriation of \$11,591 in GSD revenue to GSD's budgetary accounts is recommended for work completed for FilmLA in coordination with the BOE. The scope of work involved the preparation of the area in front of the Engine Company 23 building as well as the building entrance for filming purposes. It also included monitoring all filming activities to ensure the protection of all historical elements at the site. The work was completed in November 2021. Council authority is required to appropriate the funds to GSD's budgetary accounts. *O&M Fiscal Impact: There is no General Fund impact for operations and maintenance as these are existing facilities and these costs are funded by Special Fund monies.*

**K. GSD – Construction Forces Division**  
**Revenue Source**  
**Attachment No. 2**  
**Recommendation No. 2**

An appropriation of \$261 in GSD revenue to GSD's budgetary accounts is recommended to reimburse the Division for an erroneous purchasing card charge. Council authority is required to appropriate the funds to the GSD budgetary account that issued the payment. *O&M Fiscal Impact: There is no General Fund impact as these costs are funded by Special Fund monies.*

**L. GSD – Los Angeles World Airports (LAWA), Alterations and Improvement Projects**  
**Revenue Source**  
**Attachment No. 2**  
**Recommendation No. 2**

An appropriation of \$93,472 in GSD revenue to GSD’s budgetary accounts is recommended for various projects at the Los Angeles World Airports (LAWA). In accordance with the MOU executed between LAWA and GSD to perform as needed construction services, GSD has invoiced and received payment for the following approved projects:

<b>Projects</b>	<b>Completion Date</b>	<b>Amount</b>
Domestic Bag Claim – TBIT Level 1	Ongoing	\$ 3,336.39
Hawaiian Airlines Relocation T5 to TBIT	Dec 2021	12,703.96
6409 Westchester Parkway Laydown Yard FY21	Dec 2021	16,791.48
Miscellaneous Hold Room Seat Floor Monuments	Dec 2021	704.49
Parking Structures 2A, 2B, 5 - Clean/Repair Drainage Systems	Dec 2021	5,745.74
Westchester Parkway Trailer Maintenance	Ongoing	19,477.76
Receiving Station-X LADWP Temp Construction Power	Ongoing	5,979.37
6409 Westchester Parkway Laydown Yard FY22	Ongoing	23,075.81
Receiving Station-X Trailer Maintenance	Ongoing	1,570.59
8100-8090 Westchester Parkway Trailer Maintenance	Ongoing	\$ 4,085.98
	<b>Total</b>	<b>\$ 93,471.57</b>

Council authority is required to appropriate the funds to GSD’s budgetary accounts. *O&M Fiscal Impact: There is no General Fund impact as these costs are funded by Special Fund monies.*

**M. GSD – Marvin Braude Building Security**  
**General Fund**  
**Attachment No. 2**  
**Recommendation No. 2**

A transfer of \$51,088 within GSD’s budgetary accounts is recommended to provide security upgrades at the Marvin Braude building. Funding of \$352,000 was set aside for this project as part of the 2021-22 First CPR (C.F. 21-1028, Item DD). The recommended funding in this report will address installation of a new access panel and associated electrical work including wiring to be performed by GSD’s Construction Forces Division. The remainder of the funding will be used to pay vendors and transferred through subsequent reports if needed. The estimated completion date is August 2022. Council authority is required to appropriate the funds within GSD’s budgetary accounts. *O&M Fiscal Impact: There is no General Fund impact for the operations and maintenance since this is an administrative action.*

**N. GSD – Nuisance Abatement at Various Locations  
CTIEP Citywide Nuisance Abatement Program  
Attachment No. 2  
Recommendation No. 2**

An appropriation of \$5,993 from CTIEP funds to GSD’s budgetary accounts is recommended to address blight or other nuisance conditions at multiple City-owned lots or buildings. Typical abatement actions include weed, trash, graffiti removal, installation of “No Trespassing” or similar signage, removal of vehicles, installation of fencing, boarding up of buildings, tree-trimming, removal of asbestos or other hazardous materials, and other clean-up activities for the following properties:

<b>Council District</b>	<b>Property Address</b>	<b>Project</b>	<b>Completion Date</b>	<b>Cost</b>
1	Lincoln Heights Jail	Board ups and miscellaneous	Sept. – Dec. 2021	\$ 4,259.30
7	MEND Building 13460 Van Nuys Blvd.	Various board ups and Clean ups	July – Dec. 2021	1,733.42
<b>Total</b>				<b>\$ 5,992.72</b>

Council authority is required to appropriate the funds to GSD’s budgetary accounts. *O&M Fiscal Impact: There is no General Fund impact for operations and maintenance since these are existing facilities.*

**O. Police – Police Evidence and CATS Warehouse  
CTIEP  
Attachment No. 1  
Recommendation No. 1**

An appropriation of \$300,000 from CTIEP funds to Police’s budgetary accounts is recommended to fund final expenses for operating equipment, furniture, relocation, and post construction activities. ITA and Police received \$1 million in cumulative transfers that were included in the 2021-22 First Financial Status Report (C.F. 21-0600-S107) to purchase equipment and install communication services for the warehouse. The estimated completion date for the project is July 2022. Council authority is required to appropriate funds to Police’s budgetary accounts. *O&M Fiscal impact: There is no additional fiscal impact on the General Fund for operations and maintenance since this is an existing facility.*

Attachments

MWS:LRR:05220110

ATTACHMENT 1  
 FOURTH CONSTRUCTION PROJECTS REPORT ADDENDUM  
 FY 2024-22 BUDGET ADJUSTMENTS  
 TRANSFERS BETWEEN DEPARTMENTS AND FUNDS

ITEM	DEPARTMENT/PROJECT	TRANSFER FROM		TRANSFER TO	
		FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
A	Bureau of Engineering Vision Theatre	424/XX, FUND NAME		Fund 662/XX, BOE Special Services	
		21VB24, Vision Theatre Renovation	\$ 4,225,000.00	50RVDJ, CDBG Vision Theater	\$ 3,825,000.00
C	PW: Bureau of Street Lighting Great Streets Project - Alvarado Street Manchester Avenue and Vermont Avenue San Fernando Road	Fund 51Q/94, Measure R Location Return Fund (Sch.49)		Fund 100/82, Information Technology Agency	
		94SM06, Great Streets	\$ 357,000.00	001010, Hiring Hall Salaries General	\$ 130,000.00
				009350, Communication Services	\$ 270,000.00
				Subtotal	\$ 400,000.00
					\$ 4,225,000.00
D	Bureau of Street Services Feasibility Studies	Fund 60W/50, Measure W - Safe, Clean Water Municipal Program Special Fund		Fund 100/84, Bureau of Street Lighting	
		50TZZ1, Reimbursement of Prior Year Expenses	\$ 500,000.00	001090, Overtime General	\$ 124,950.00
				006020, Operating Supplies	\$ 17,850.00
E	City Administrative Officer Potrero Canyon Transfers	Fund 100/64, CTIEP		008780, Street Lighting Improvements	
		00G998, Potrero Canyon Stabilization and Park	\$ 469,285.09		\$ 214,200.00
F	City Administrative Officer Lincoln Heights Jail Underground Storage Tank (UST) Removal and Nuisance Abatement	Fund 100/64, CTIEP		Fund 100/86, Bureau of Street Services	
		00V638, Lincoln Heights Jail UST Removal	\$ 350,000.00	3040, Contractual Services	\$ 500,000.00
				Fund 50F/50, Potrero Canyon Trust Fund	
				50RMAB, Potrero Canyon Stabilization and Park	\$ 469,285.09
O	Police Police Evidence and CATS Warehouse	Fund 100/54, CTIEP		Fund 100/40, General Services Department	
		00V796, Operating Equipment for Police Evidence and CATS Warehouse	\$ 300,000.00	001101, Hiring Hall Construction	\$ 26,537.00
				001121, Benefits Hiring Hall Construction	\$ 8,945.00
				003180, Construction Materials	\$ 162,618.00
				Subtotal	\$ 198,000.00
		Fund 100/10, Office of the City Administrative Officer		Fund 100/70, Police	
		003040, Contractual Services	\$ 152,000.00	003040, Contractual Services	\$ 100,000.00
				006010, Office and Administrative Expense	\$ 200,000.00
				Subtotal	\$ 300,000.00
<b>TOTAL ALL DEPARTMENTS AND FUNDS</b>			<b>\$ 6,201,285.09</b>	<b>\$ 6,201,285.09</b>	

**ATTACHMENT 2  
FOURTH CONSTRUCTION PROJECTS REPORT ADDENDUM  
FY 2021-22 BUDGET ADJUSTMENTS  
TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

ITEM	DEPARTMENT/PROJECT	TRANSFER FROM		TRANSFER TO	
		FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
<b>B</b>	<b>PW: Bureau of Sanitation</b> <i>Balona Creek TMDL Project</i>	Fund 60W/50, Measure W - Safe, Clean Water, Municipal Program SF	\$ 1,500,000.00	Fund 60W/50, Measure W - Safe, Clean Water, Municipal Program SF	\$ 1,500,000.00
		50TZZ1, Reimbursement of Prior Year Expenses		TBD, Balona Creek TMDL Project	
<b>G</b>	<b>General Services Department</b> <i>Animal Services Facilities Projects</i>	Fund 100/54, CTIEP	\$ 40,063.00	Fund 100/40, General Services Department	\$ 23,522.00
		00V797, Animal Services Facilities Projects		001101, Hiring Hall Salaries Construction	\$ 10,081.00
				001121, Hiring Hall Benefits, Construction	\$ 6,450.00
				003180, Construction Materials and Supplies	\$ 40,063.00
<b>H</b>	<b>General Services Department</b> <i>Building Hazard Mitigation Projects North District Sewer Maintenance Yard</i>	Fund 100/54, CTIEP	\$ 13,484.00	Fund 100/40, General Services Department	\$ 5,763.00
		00V019, Citywide Building Hazard Mitigation		001014, Salaries, Construction	\$ 7,721.00
				003180, Construction Materials and Supplies	\$ 13,484.00
<b>I</b>	<b>General Services Department</b> <i>BOE CD 13 Tiny Home Village Decals and Banners</i>	Fund 100/40, General Services Department	\$ 1,006.00	Fund 100/40, General Services Department	\$ 896.00
		RSC 5188, Misc Revenue - Others		001014, Salaries, Construction	\$ 150.00
<b>J</b>	<b>General Services Department</b> <i>Bureau of Engineering - Engine Co. 23 Filming</i>	Fund 100/40, General Services Department	\$ 11,591.18	Fund 100/40, General Services Department	\$ 10,563.08
		RSC 5188, Misc Revenue - Others		003180, Construction Materials and Supplies	\$ 1,028.10
<b>K</b>	<b>General Services Department</b> <i>Construction Forces Division</i>	Fund 100/40, General Services Department	\$ 260.49	Fund 100/40, General Services Department	\$ 260.49
		RSC 5188, Misc Revenue - Others		003180, Construction Materials and Supplies	
<b>L</b>	<b>General Services Department</b> <i>Los Angeles World Airports (LAWA) - Various Alteration &amp; Improvement Projects</i>	Fund 100/40, General Services Department	\$ 93,471.57	Fund 100/40, General Services Department	\$ 6,832.00
		RSC 4595, Service to Airports		001014, Salaries, Construction	\$ 25,050.00
				001101, Hiring Hall Salaries, Construction	\$ 13,664.00
				001121, Hiring Hall Benefits, Construction	\$ 47,925.57
<b>M</b>	<b>General Services Department</b> <i>Marvin Braude Building Security</i>	Fund 100/40, General Services Department	\$ 51,088.00	Fund 100/40, General Services Department	\$ 8,828.00
		003040, Contractual Services		001014, Salaries, Construction	\$ 28,691.00
				001101, Hiring Hall Salaries, Construction	\$ 6,721.00
				001121, Hiring Hall Benefits, Construction	\$ 6,848.00
<b>N</b>	<b>General Services Department</b> <i>Nuisance Abatement at Various Locations</i>	Fund 100/54, CIEP	\$ 5,992.72	Fund 100/40, General Services Department	\$ 1,797.82
		00V068, Citywide Nuisance Abatement Program		001101, Hiring Hall Salaries, Construction	\$ 1,188.54
				001121, Hiring Hall Benefits, Construction	\$ 2,966.36
				003180, Construction Materials and Supplies	\$ 5,992.72
<b>TOTAL ALL DEPARTMENTS AND FUNDS</b>			<b>\$ 1,716,946.96</b>		<b>\$ 1,716,946.96</b>