

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer

When making inquiries relative to
this matter, please refer to the
Council File No.

Office of the
CITY CLERK

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SHANNON HOPPE
Council and Public Services
Division

www.cityclerk.lacity.org

May 13, 2013

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council
File No. 11-1901, at its meeting held May 1, 2013.

City Clerk
OS

Mayor's Time Stamp of
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2013 MAY -3 PM 1:18
CITY OF LOS ANGELES

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2013 MAY -3 PM 1:12
CITY CLERK
BY _____ DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 11-1901

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE MAY 1, 2013

RE: A REFUND FOR CONSTRUCTION SERVICES WHICH WERE NOT PERFORMED ON THE WARNER GRAND THEATER REHABILITATION PROJECT

LAST DAY FOR MAYOR TO ACT MAY 13 2013
(10 Day Charter requirement as per Charter Section 341)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED

✓

*DISAPPROVED

*Transmit objections in writing
pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL

MAY 10 2013

MAYOR



BY _____
DEPUTY

CITY CLERK

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2013 MAY 13 PM 12:44

CITY CLERK'S OFFICE

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your BUDGET AND FINANCE COMMITTEE

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to a refund for construction services which were not performed on the Warner Grand Theater Rehabilitation Project.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the return to the Community Redevelopment Agency/Los Angeles (CRA/LA), A Designated Local Authority and Successor Agency to the former Community Redevelopment Agency, a total of \$299,625 which is a refund for an advance payment for construction services which were not performed on the Warner Grand Theater Rehabilitation Project.
2. AUTHORIZE the City Controller to refund \$299,625 to the CRA/LA from Fund 100/40 General Services as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001014	Construction Salaries	\$177,053.22
001191	Hiring Hall Overtime	\$58,947.16
003180	Construction Materials and Supplies	\$63,624.62
	Total:	\$299,625.00

3. AUTHORIZE the City Administrative Officer (CAO) to make technical corrections as necessary to those transactions included in this report to implement Mayor and Council intentions.

Fiscal Impact Statement: The CAO reports that the fiscal impact is \$299,625 to issue a refund for an advance payment for construction services which were not performed on the Warner Grand Theater Rehabilitation Project (Project). Approval of the recommendations in this report will authorize a refund of \$299,625 from 100/40 General Services to the CRA/LA for the retained balance associated with the Project.

Community Impact Statement: None submitted.

SUMMARY

At its meeting of April 15, 2013, the Budget and Finance Committee considered the CAO's report relative to a refund of \$299,625 which was an advance payment to the Department of General Services (GSD) for construction services which were not performed on the Warner Grand Theater (Theater) Rehabilitation Project (Project). The CAO reports that on August 31, 2009, the former Agency and the GSD's Construction Forces Division (CFD) executed a three-year \$10 million Cooperation Agreement. Contract No. 503391 was a blanket contract for engineering services and contractors for construction, demolition and maintenance services for various CRA/LA projects. On January 23, 2012, the former Agency issued a \$300,000 check to CFD for certain improvements to the Theater in accordance with Contract No. 503391. On

February 1, 2012, redevelopment agencies, including the former Agency, were dissolved by operation of law in accordance with Assembly Bill (AB) 1x-26. The CRA/LA has made the determination that Contract No. 503391 was invalidated effective February 1, 2012 pursuant to the redevelopment dissolution law, the work associated the Project cannot proceed and that all retained, unexpended funds must be returned to the CRA/LA. On February 27, 2013, the CRA/LA sent the GSD a letter requesting the return of the \$299,625 in unexpended Project funds. The CAO report, attached to the Council file, provides additional details and background information.

During discussion of this matter, the CAO representative requested that an instruction be added to authorize the CAO to make technical corrections as necessary. After further consideration and having provided an opportunity for public comment, the Committee recommended to approve the CAO recommendations contained in the report dated April 9, 2013 and the additional instruction requested by the CAO. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	YES
ROSENDAHL:	YES
KORETZ:	YES
LABONGE:	YES

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-Not Official Until Council Acts-

ADOPTED

MAY 01 2013

LOS ANGELES CITY COUNCIL

MAYOR WITH FILE