INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE REPORT relative to the Fifth Construction Projects Report for Fiscal Year (FY) 2018-19.

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

1. AUTHORIZE the Controller to transfer $28,347,487 between departments and funds as specified in Attachment 1 of the City Administrative Officer (CAO) report dated May 3, 2019, attached to the Council file.

2. AUTHORIZE the Controller to transfer $2,212,089 between accounts within departments and funds as specified in Attachment 2 of the May 3, 2019 CAO report.

3. AUTHORIZE the Controller to transfer $112,027 between departments and funds from General Obligation Bond Funds as specified in Attachment 3, of the May 3, 2019 CAO report.

4. AUTHORIZE Controller, in accordance with Recommendation No. 1, to reimburse the General Fund with Municipal Improvements Corporation of Los Angeles (MICLA) funds, upon CAO approval and receipt of requesting department’s labor services, construction materials and supplies invoices for completed work, including the department’s labor services documentation that must contain an hourly breakdown with task codes detailing the completed MICLA eligible work, relative to the respective departmental accounts designated for the following projects:
   a. North Valley (Sunland Tujunga) City Hall Renovation (Item B)
   b. Council District 8 Constituent Center (Item L)
   c. Marvin Braude Restroom Improvements (Item S)
   d. Clean Streets Satellite Facilities (Item FF)

5. AUTHORIZE the CAO to make technical corrections, as necessary, to the transactions authorized through the May 3, 2019 CAO report, as required to implement the Mayor and Council’s intentions.

6. REAPPROVE the use of $8,700,000 in MICLA funding authorized in the 2018-19 Adopted Budget for the Solar Energy Installation Municipal Facilities Project.

7. AUTHORIZE the Controller, in accordance with the ongoing defeasance of outstanding General Obligation Bonds, to reduce appropriations totaling $263,519.81 to close out the following accounts, as listed below:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Account</th>
<th>Title</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>15L/50</td>
<td>50R128</td>
<td>Council (100/28/001010)</td>
<td>$35,592.77</td>
</tr>
<tr>
<td>15N/50</td>
<td>50R128</td>
<td>Council (100/28/001010)</td>
<td>8,528.63</td>
</tr>
<tr>
<td>15U/50</td>
<td>50R128</td>
<td>Council (100/28/001010)</td>
<td>37,234.47</td>
</tr>
</tbody>
</table>
8. AUTHORIZE Controller to transfer ineligible expenditures totaling $51,289.93 from the following General Obligation Bond funds to the Bureau of Engineering's Operational Fund, as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Account</th>
<th>Title</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>16J/50</td>
<td>50AX78</td>
<td>Public Works - Engineering Expense and Equipment</td>
<td>33,239.69</td>
</tr>
<tr>
<td>16K/50</td>
<td>50N517</td>
<td>Expense and Equipment</td>
<td>18,050.24</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$51,289.93</td>
</tr>
</tbody>
</table>

**Fiscal Impact Statement:** The CAO reports that transfers, appropriations and expenditure authority totaling $30.67 million are recommended in the May 3, 2019 CAO report. Of this amount, $10.96 million is for transfers, appropriations, and expenditure authority to the Department of General Services, $3.07 million is for Public Works - Bureau of Street Services, and $16.64 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:** The CAO reports that issuance of MICLA bonds is a General Fund obligation. The reauthorization of MICLA for the Solar Energy Installations Municipal Facilities Project would cause the City to borrow $8,700,000 at an approximate 5.5 percent interest rate over 20 years. The total estimated debt service is $14,560,000, including interest of $5,860,000. During the life of the bonds, the estimated average annual debt service is $728,000 over 20 years. Actual interest rates may differ as rates are dependent on market conditions at the time of issuance. We cannot fully predict what interest rates will be in the future. In accordance with the City's Debt Management Policy, the City has an established debt ceiling to guide in evaluating the affordability for future debt. The debt ceiling for non-voted direct debt as a percentage of General Fund revenues is 6.0 percent. The City is currently at 4.15 percent for Fiscal Year 2018-19. The issuance of the debt for this project will not impact the City's debt capacity for non-voted approved debt as the issuance of debt for this project is already included in the debt ratio.

**Community Impact Statement:** None submitted.

*(Budget and Finance Committee report to be submitted in Council.)*
SUMMARY

At a special meeting held on May 29, 2019, the Information, Technology, and General Services Committee considered a CAO report dated May 3, 2019 relative to the 2018-19 Fifth Construction Projects report.

After providing an opportunity for public comment, the Committee moved to approve the recommendations contained in the subject CAO report, as detailed above. This matter is now transmitted to the Council for its consideration.

Respectfully Submitted,

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE

MEMBER VOTE
SMITH: YES
BLUMENFIELD: YES
RODRIGUEZ: YES

LC 05/29/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-