

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your

BUDGET AND FINANCE Committee

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to the Second Construction Projects Report for Fiscal Year 2011-12.

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

1. TRANSFER \$1,187,470 between departments and funds as specified in Attachment No. 1 of the City Administrative Officer (CAO) report, attached to the Council file.
2. TRANSFER \$11,887,091 between funds and other financings, including MICLA, as specified in Attachment No. 2.
3. TRANSFER \$932,214 between departments and funds from General Obligation Bond (GOB) Funds as specified in Attachment No. 3.
4. TRANSFER \$699,674 between accounts within departments and funds as specified in Attachment No. 4.
5. AUTHORIZE the Controller, in accordance with Attachment Nos. 2 and 5, to transfer cash from the appropriate MICLA Funds, Proposition K and Other Special Funds to reimburse the General Fund on an as-needed basis upon proper documentation from the departments and approval of the Program Managers and the CAO.
6. AUTHORIZE the Controller, in accordance with Attachment Nos. 3, 6, 7, 8 and 9, to transfer cash from the appropriate GOB Funds to reimburse the General Fund on an as-needed basis upon proper documentation from the departments and approval of the Bureau of Engineering Program Managers and the CAO.
7. AUTHORIZE the Controller to increase appropriations to the Capital Finance Administration Fund, Commercial Paper Account No. 0316, totaling \$431,049 for the second and third quarterly payments paid by GLAZA for the Elephants of Asia Exhibit MICLA debt service.
8. AUTHORIZE the Controller to increase appropriations to various departments as delineated in Attachment No. 5, in the amount of \$156,258 from MICLA Fund No. 26A, for estimated project and construction management support expenses related to the Police Administration Building (New Parker Center).
9. AUTHORIZE the Controller to increase appropriations to various departments as delineated in Attachment No. 6, in the amount of \$1,923,943 from Proposition F General Obligation Bond Fund Nos. 15T and 16D for estimated project management staff costs related to the Fire Facilities Bond Program.

10. AUTHORIZE the Controller to increase appropriations to various departments as delineated in Attachment No. 7, in the amount of \$823,810 from Proposition F GOB Fund Nos. 15G, 15L and 15S for estimated project management staff costs related to the Animal Bond Program.
11. AUTHORIZE the Controller to increase appropriations to various departments as delineated in Attachment No. 8, in the amount of \$7,684,715 from Proposition O GOB Fund No. 16V for estimated project management staff costs relative to the Proposition O Clean Water Bond Program.
12. AUTHORIZE the Controller to increase appropriations to various departments as delineated in Attachment No. 9, in the amount of \$1,855,954 from the Proposition Q GOB Fund Nos. 15N and 15U for estimated project and construction management staff costs related to the Citywide Public Safety Bond Program.
13. AUTHORIZE the CAO to make technical corrections, as necessary, to those transactions included in this report to implement the Mayor and Council's intentions.
14. INSTRUCT the CAO to research the possibility of paying for the Getty House Security Fence project from the Getty Foundation or Getty Trust Fund.

Fiscal Impact Statement: The CAO reports that transfers, appropriations and expenditure authority totaling \$27,151,129 are recommended in this report. Of this amount, \$12,807,053 is for transfers and appropriations to the General Services Department, \$1,899,396 is for other City Funds and \$12,444,680 is for staff cost reimbursements. All transfers and appropriations are based on existing funds, reimbursements or revenues. The estimated annual impact due to operations and maintenance costs is approximately \$609,090 (Attachment No. 10).

Community Impact Statement: None submitted.

SUMMARY

At its meeting of November 14, 2011, the Budget and Finance Committee considered the CAO's Second Construction Projects Report for Fiscal Year 2011-12. This report recommends funding adjustments needed to keep construction projects on track. The financial transactions are for projects in the City's Capital Improvement Expenditure Program, various recreational facility projects, General Obligation Bond funded projects and General Services Department construction projects.

During Committee consideration, CAO representatives provided an overview of the report recommendations and responded to related questions from Committee members. The Committee Chair requested that the CAO provide a fact sheet regarding the Proposition F, O and Q Bond Programs for information purposes. The CAO's fact sheet relative to the Proposition Programs is attached to this Committee report.

After further consideration and having provided an opportunity for public comment, the Budget and Finance Committee recommended approval of the recommendations contained in the CAO report dated November 2, 2011 and instructed the CAO to research the possibility of paying for the Getty House Security Fence project from the Getty Foundation or Getty Trust Fund (recommendation no. 14 above). This matter is now forwarded to the Council for its consideration.

Respectfully submitted,
BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
CARDENAS:	ABSENT
ENGLANDER:	YES
ROSENDAHL:	YES
KORETZ:	YES

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Attachment
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-NOT OFFICIAL UNTIL COUNCIL ACTS-

Proposition F - Animal Facilities Bond Program

Seven of the eight original projects have been completed. The last original project, South Los Angeles Animal Shelter, is scheduled to be completed in April 2012. However, program savings of about \$14.2 million have been identified and authorized by Mayor and Council action to establish a Phase II program to make various improvements at seven shelters as well as to establish an annex near the new South Los Angeles Animal Shelter. These improvements are expected to be completed in early FY 2014-15. After this, the program would transition to a closeout phase, which is expected to conclude in FY 2016-17.

Funding: \$3 million – CIEP; \$181.7 million – Proposition F GOB Funds

Proposition F - Fire Facilities Bond Program

Nineteen of the original 20 projects are complete. The last original project, Fire Station 82, is expected to be completed in October, 2012. However, using program savings, the Mayor and Council have authorized new projects to replace Fire Stations 7 and 39 in the San Fernando Valley. Fire Station 7 is in design and is expected to be completed in mid FY 2014-15. Fire Station 39 is in the land acquisition stage. If land acquisition is completed quickly, it should also be completed in FY 2014-15. Subsequent to construction of these two stations, the program would transition to a closeout phase, which is expected to conclude in FY 2016-17.

Funding: \$431 million – Proposition F GOB Funds

Proposition Q Citywide Public Safety Bond Program

All 13 original police facility projects have been completed. However, using program savings, the Mayor and Council have authorized a Phase II program to add four new projects consisting of the renovation of the Old Rampart Police Station, the construction of a new Northeast Police Station and two projects to renovate facilities at the Police Academy. The Phase II projects are expected to be completed by mid FY 2014-15. Subsequent to construction of these four facilities, the program would transition to a closeout phase, which is expected to conclude in FY 2016-17.

Funding: \$699.9 million – Proposition Q GOB Funds

Proposition O – Clean Water Bond Program

A total of 32 projects have been approved for implementation. Of these 32 projects, 17 have completed construction, 9 are under construction, and the remaining 6 are in the pre-design or design phase. The largest Proposition O project, with a budget of \$99.5 million, is the Machado Lake Ecosystem Rehabilitation project. This will be the last project to be completed for this bond program and it is estimated to be completed within FY 2015-16.

Funding: \$500 million – Proposition O GOB Funds