

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES and BUDGET AND FINANCE COMMITTEES' REPORT relative to the First Construction Projects Report for Fiscal Year 2021-22.

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

1. AUTHORIZE the Controller to transfer \$7,339,002 between departments and funds as specified in Attachment 1, of the City Administrative Officer (CAO) report dated September 17, 2021, attached to the Council file.
2. AUTHORIZE the Controller to transfer \$5,665,218 between accounts within departments and funds as specified in Attachment 2 of said CAO report.
3. AUTHORIZE the Controller to appropriate \$878,316 between accounts within departments and funds as specified in Attachment 3 of said CAO report.
4. AUTHORIZE the Controller, in accordance with Recommendation Nos. 1 and 2, to reimburse the General Fund with Municipal Improvement Corporation of Los Angeles (MICLA), upon CAO approval and receipt of requesting departments' labor services, construction materials and supplies invoices for completed work, including the departments' 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. Citywide Electric Vehicle Charging Infrastructure (Item W of said CAO report)
 - b. Ahmanson Recruit Training Center Electrical Service Upgrades (Item HH of said CAO report)
 - c. Space Optimization Funding (JJ of said CAO report)
 - d. Fire Life Safety System at Civic Center (Item KK of said CAO report)
 - e. 77th Street Regional Jail Sprinkler Replacement (Item NN of said CAO report)
 - f. Space Optimization, City Hall 7th Floor Tenant Improvements (Item PP of said CAO report)
 - g. Bridge Improvement Program (BIP) Contingency Funding (Item TT of said CAO report)
5. AUTHORIZE the CAO to make technical corrections, as necessary, to the transactions authorized through said CAO report, as required to implement the intent of those transactions.
6. RESCIND the prior Controller's instructions approved by the Mayor and Council relative to the transfer of \$2 million in Development Services Trust Fund monies to the Bureau of Engineering contractual services account for the BuildLA IT project (Council file No. 21-0643).
7. AUTHORIZE the Controller to transfer \$2 million from the Development Services Trust Fund No. 58V/8, Account No. TBD, "BuildLA IT Project", to the Engineering Special Service Fund No. 682/50, new Account No. TBD, "BuildLA IT Project."

8. REAUTHORIZE the City Engineer to transfer funds of any amount up to the balance of the Prop 1C Crenshaw Boulevard Account (100/54/00R638), to any City Department and any appropriation account for the purpose of implementing the Grant.
9. INSTRUCT the Los Angeles Housing Department and/or the City Engineer, and REQUEST the Controller, to continue to deposit all proceeds from the Prop 1C Grant for Crenshaw Boulevard to the Capital and Technology improvement Expenditure Program (CTIEP), Prop 1C-Crenshaw Boulevard Account (100/54/00R638).
10. INSTRUCT the City Engineer to reimburse the General Fund \$2.5 million upon completion of the implementation of the Prop 1C-Crenshaw Boulevard Grant.
11. AUTHORITY to reappropriate \$22,405 in CRA/LA Excess Non-Housing Bond Proceeds monies to Bureau of Street Services budgetary accounts for the Chandler Bikeway Development Project.
12. AUTHORIZE the Controller to transfer \$1.2 million from the Development Services Trust Fund No. 58V/8, Account No. TBD (per Council file No. 21-0643-S1), to the Engineering Special Service Fund No. 682/50, new Account No. TBD, "LADBS BuildLA IT Project."
13. RESCIND the prior approval to transfer \$250,000 from the CTIEP Fund No. 100/50, Account No. 00P300, Taylor Yard Cash Flow to the Reserve Fund, that was authorized as part of 2019-20 5th Construction Projects Report (Item A; Council file No. 10-0926-S4).
14. RESCIND approval for the Highway Safety Improvement Program (HSIP) 5 Pacific Avenue Between Winward Avenue and 18th Avenue Street Improvement Project; and, AUTHORIZE the Controller to deobligate project funds by reducing appropriations by \$573,300 within the Transportation Grant Fund No. 655/94, Account 94J762.
15. AUTHORIZE the Controller to establish a new revolving cash flow account within the CTIEP Fund, to be utilized by the Economic and Workforce Development Department to remediate unfunded nuisance abatement expenses at properties under the Department's control, with monies to be repaid and deposited into the cash flow account from sale proceeds or other eligible and appropriate reimbursable funding sources, is recommended as follows:

<u>Fund/Dept</u>	<u>Account</u>	<u>Title</u>	<u>Amount</u>
From: 100/54	00V068	Citywide Nuisance Abatement	\$45,000
To: 100/54	TBD	EWDD Nuisance Abatement Cash Flow	\$45,000

- 16.
17. REAUTHORIZE a total of \$73,937,332 in MICLA financing included in the 2021-22 Adopted Budget for the Capital Improvement Projects, as specified in Attachment 5 of said CAO report.
18. AUTHORIZE the Department of Convention and Tourism Development and/or the CAO to reimburse funds up to \$6,415,000 from the MICLA Commercial Paper Program (Los Angeles Convention Center) to vendors such as AEG Management LACC, LLC, as appropriate, to pay for capital improvement projects at the Los Angeles Convention Center.
19. AUTHORIZE an administrative adjustment to provide the correct amount of \$2.4 million for the MICLA departmental fund transfer for the City Hall heating, ventilation and air conditioning system to the Department of General Services (GSD) budgetary account, as previously approved by Council (Council file No. 20-1021-S4, Item No. WW, Recommendation No. 15).

20. APPROVE the exchange of \$199,129 in funding within the 2021-22 CTIEP program between General Fund and MICLA monies budgeted for the Maintenance and Improvements Program and the Space Optimization program, respectively, as needed to provide eligible funding to proceed with hiring a consultant to update City space standards.

21. REAUTHORIZE a total of \$142,255 in MICLA financing included in the 2020-21 Adopted Budget to enable the Information Technology Agency to complete the following communication services requests projects:
 - a. \$9,008 - Figueroa Plaza Shut Down
 - b. \$8,653 - City Hall 7th Floor
 - c. \$25,166 - Old Fire Station #39
 - d. \$60,855 - Civil and Human Rights Commission
 - e. \$38,573 - Care / Safe Streets

22. REAUTHORIZE a total of \$13,579,700 in MICLA Funding included as part of the 2021-22 Adopted Budget; and, AUTHORIZE the GSD to establish appropriations to purchase the capital equipment, as itemized in Attachment 6 of said CAO report and summarized below, as follows:
 - a. \$735,000 - Six pieces of construction equipment and five sidewalk sweepers for the GSD
 - b. \$8,725,000 - Two pieces of construction equipment, 16 fleet vehicles, and six trailers with mounted equipment, for the Bureau of Street Services
 - c. \$4,069,700 - 25 fleet vehicles and 10 trailers with mounted equipment for the Department of Recreation and Parks
 - d. \$50,000 - One trailer with mounted equipment for the Zoo Department

23. REAUTHORIZE a total of \$32,007,144 in MICLA Funding that was deferred in the 2020-21 Second Financial Status Report (Council file No. 20-0600-S84) from multiple fiscal years, as indicated below:
 - a. \$10,000,000 - 2020-21 GSD Fleet Vehicle GSD Vehicle and Equipment Replacement
 - b. \$10,000,000 - 2019-20 GSD Fleet Vehicle GSD Vehicle and Equipment Replacement
 - c. \$11,946,103 - 2018-19 GSD Fleet Vehicle GSD Vehicle and Equipment Replacement
 - d. \$61,041 - 2019-20 GSD Fleet Shop Equipment Replacement

24. REPLACE the Controller's Instructions reflected in Attachment 1 of said CAO report for item MM – Reappropriation of Funds for Various Communication Services Request Projects in its entirety, as needed to correct for an inadvertent error, as follows:

	<u>Fund/Dept</u>	<u>Account</u>	<u>Title</u>	<u>Amount</u>
From:	298/50	40T132	Information Technology Agency	\$9,007.84
	298/50	40SSP7	Space Opti Planning City Hall	8,653.09
	298/50	50TOVB	Operation Valley Bureau Facility	25,166.13
	298/50	50TCHR	Space Opti CHR Commission	60,854.91
	298/50	50RTCS	MICLA Clean Street	<u>38,573.46</u>
			Total:	\$142,255.43
To:	100/32	009350	Communication Services	<u>\$142,255.43</u>
			Total:	\$142,255.43

25. REPLACE Controller's Instructions reflected in Attachment 1 of said CAO report for item U – Fire Life Safety Building Systems, Various Facilities in its entirety, as needed to correct for an inadvertent error, as follows:

	<u>Fund/Dept</u>	<u>Account</u>	<u>Title</u>	<u>Amount</u>
From:	100/54	00V200	Fire Life Safety Building Systems	<u>\$672,235</u>
			Total:	\$672,235
To:	100/40	001100	Hiring Hall Salaries	\$414,870
	100/40	001120	Benefits Hiring Hall	<u>257,365</u>
			Total:	\$672,235

Fiscal Impact Statement: The CAO reports that transfers, appropriations, and expenditure authority totaling \$14.54 million are recommended in said CAO report. Of this amount, \$4.71 million is for transfers, appropriations, and expenditure authority for the CAO, \$3.16 million for the GSD, and \$6.67 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 (Attachment No. 4 of said CAO report).

Debt Impact Statement: The CAO reports that the issuance of MICLA debt is a General Fund obligation. The issuance of MICLA for the reauthorization of Municipal Facilities projects at various City facilities would cause the City to borrow approximately \$73,937,332 at an approximate 5.5 percent interest rate over 20 years. The issuance of MICLA for the reauthorization of capital equipment acquisitions for various City departments would cause the City to borrow approximately \$45,664,280 at an approximate 5.5 percent interest rate over 10 years. The total estimated debt service for the Municipal Facilities projects and capital equipment acquisitions is \$184,323,000, including interest of approximately \$64,721,000. During the life of the bonds, the estimated average annual debt service is \$12,245,000 over the first 10 years and \$6,187,000 over the following 10 years. Actual interest rates may differ as rates are dependent on market conditions at the time of issuance. The CAO 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 2021-22 Adopted Budget non voter-approved debt ratio is 3.35 percent. The issuance of debt for these projects will not cause the City to exceed the six percent non voter-approved debt limit.

Financial Policies Statement: The CAO reports that the actions recommended in said CAO report comply with the City's Financial Policies.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on October 7, 2021, your Information, Technology, and General Services Committee considered a CAO report relative to the First Construction Projects Report for Fiscal Year 2021-22. After an opportunity for public comment was held, the Committee moved to approve the CAO's recommendations as amended, as detailed above.

Subsequently, on October 25, 2021, the Budget and Finance Committee also considered this matter and after providing an opportunity for public comment, the Budget and Finance Committee concurred with the recommendations made previously by the Information, Technology, and General Services Committee. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
RAMAN	YES
BLUMENFIELD	YES
PRICE	YES

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN	YES
BLUMENFIELD	YES
DE LEON	YES
RODRIGUEZ	YES
PRICE	YES

ME 10/25/21

-NOT OFFICIAL UNTIL COUNCIL ACTS-