

## **Measure W – Safe, Clean Water Program Administrative Oversight Committee (AOC) Special Meeting Minutes**

Monday, March 17, 2025

Members Present: Patricia J. Huber, City Administrative Officer, Chair (CAO)  
Matias Farfan, Chief Legislative Analyst (CLA)  
Randall Winston, Office of the Mayor (Mayor)

Staff Present: Jacqueline Wagner, CAO  
Hermineh Amijanian, CAO  
Blayne Sutton-Wills, CLA

The meeting was called to order at 2:04 PM.

Public Comment – Held

1. Minutes of the May 30, 2024 Regular Meeting

**Disposition:** Approved 3-0.

2. Verbal update on the status of Measure W – Safe, Clean Water Municipal and Regional Program

Michael Scaduto (Bureau of Sanitation/LASAN) presented updates on the following:

*Municipal Program* – LASAN receives about \$36 million in municipal returns each year to support the water quality projects and efforts throughout the City of Los Angeles. The program is not General Fund subsidized, and currently provides funding for 73 public works positions and will expand next year as the projects are moving to construction phase. The program focuses on the 12 funded Capital Projects and the maintenance of the projects previously funded by Proposition O since there was no dedicated funding for maintenance.

*Regional Program* – Mr. Scaduto presented the summary of the receipts from the three watersheds that City participates.

Ballona Creek TMDL project is the first Capital project which will complete soon.

Mr. Scaduto continued to present the Watershed Investment Strategic Plan (WISP) and noted the following for each program:

*Municipal Program:* Municipal Transfer agreements are three year terms and the new agreement is anticipated to be released in July 2025. The agreement is specific to the municipal return of approximately \$36 million. A self-audit is a requirement of the agreement, which was completed for the first transfer agreements and there were six findings and corrective actions which are already implemented by LASAN and reported to the County.

*Regional Program:* Mr. Scaduto noted that County implemented metrics and monitoring study to capture all the projects that are funded and the benefits of these projects.

*District Program:* This is a small program which brings in Community Based Organizations (CBO) and Environmental Non-Governmental Organizations (ENGO) through Public Education and Community Engagement Program. This is a grant program which started this year and provided \$8.5 million for ENGOs and CBOs to apply for. City supports two ENGOs that submitted grant application for City Projects.

Mr. Scaduto presented the funding availability for all three watersheds, and the plan on project selection and prioritization. Completed projects will be submitted for Operation and Maintenance (O&M). He noted that the regional planning efforts considers the projects and their benefits in terms of water quality. In order to accomplish this goal, LASAN centralized all the completed projects and all the future projects by developing the Safe Clean Water Implementation Division Infrastructure Query System.

Randall Winston (Office of the Mayor) asked why the Ballona Creek TMDL and MacArthur Park Rehabilitation Projects are priority projects. Mr. Scaduto explained that the County only accepts applications once a year and both projects will complete construction soon, but considering the timing Ballona Creek is better fit to apply for O&M this year and then MacArthur Park will be a good suit for next year application.

Mr. Scaduto noted that LASAN is in pursue of \$154.9 million. There is concern about future Federal Funding and grants. LASAN tracks Proposition 4 which is State Funding and the applications will be accepted in early fall 2025.

Mr. Winston noted his support for the on-call contracts and asked for a summary of the costs and schedule overruns to date of the program. Mr. Scaduto replied that many factors have caused cost escalations for projects that began during the pandemic, but that they have incorporated the Bureau of Engineering's recommended policies for cost escalations in the new projects.

Mr. Winston asked if there was a document that tracked the cost overruns for all the projects, and whether that document showed improvement, and the efficacy of the on-call design build contracts. Mr. Scaduto explained that the on-call contracts is not intended to be a catch all for every project, and is intended to deliver projects that are under \$20 million in cost and that are Green Street projects. He noted that the contracts will speed up project delivery but must first be put into place, which will take three to four years.

Matias Farfan (Chief Legislative Analyst) asked if there are pre-existing standards for the on-call design build contract projects. Mr. Scaduto answered that they intend to have on-call contractors work on projects that are 50 percent complete. He noted that there are standards for Green Street projects, but the contract is not intended to be a catch all for every project.

Mr. Farfan asked how the City can get assurances that the O&M of the projects will not be too high. Mr. Scaduto answered that the City now has their partners sign off on the design prior to completion of the project. Mr. Farfan followed up by asking if that is the case for the design-build projects as well. Mr. Scaduto answered yes.

Mr. Farfan also asked if the City's returns that Mr. Scaduto presented included Department of Water and Power's (DWP) returns as well. Mr. Scaduto replied that the Regional Program includes returns for LADWP and Bureau of Street Services.

Mr. Farfan asked if the Regional Program returns will pay for O&M. Mr. Scaduto explained that the County and the District said there is a commitment to fund O&M but due to the

competitiveness, it is not guaranteed. Mr. Farfan followed up by asking if there is any funds formally set aside for O&M. Mr. Scaduto replied no.

Patricia J. Huber (City Administrative Officer, Chair) commented that the goal of the program was to meet the City's legal requirement for clean water through maintaining completed projects without the need for new projects. Mr. Scaduto noted that in an estimated seven to 10 years, the City's return will be put mostly towards O&M, not new projects.

Mr. Farfan asked if other City projects that benefit City residents is taken into account. Susie Santilena (LASAN) explained that the Ballona Creek TMDL Project is an example in which eight different agencies benefit from it, leading to partnership agreements. Additionally, every project takes into account the agencies that will be affected by it. She noted that both, the City and the District, consider the affected agencies when planning their projects.

Ms. Huber asked for clarification on the County's metrics of monitoring. Mr. Scaduto answered that the metrics of monitoring is how the County will account for the benefits while funding a project.

Ms. Huber asked if the City is anticipating that the Palisades Fire will affect revenue due to the changes of property tax assessments. Mr. Scaduto replied he will have to follow up with the County. Ms. Huber asked for Mr. Scaduto to follow up with the County. Mr. Scaduto confirmed that he will.

**Disposition:** No action taken.

3. Report from LASAN on the Proposed Measure W – Safe, Clean Water Program 2024-25 Watershed Investment Strategic Plan

Mr. Scaduto noted the report is to approve fiscal year 2024-25 WISP according to recommendations presented.

Ms. Huber asked for a copy of the WISP once it is approved.

**Disposition:** Approved 3-0.

4. Other Committee organizational matters, as necessary

Staff will inform the Committee if a meeting in April is needed.

**Disposition:** No action taken.

Meeting adjourned at 2:42 PM.