

PROPOSITION K:
L.A. FOR KIDS STEERING COMMITTEE
Minutes from the Meeting of September 26, 2024

MEMBERS: Matt Szabo, City Administrative Officer, Chair (CAO)
Matias Farfan, Chief Legislative Analyst (CLA)
Bernyce Hollins, Office of the Mayor (Mayor)

The meeting was called to order at 9:42 A.M.

General Public Comment, Multiple Agenda Item Comment.

General Public Comment, Multiple Agenda Item Comment, comment period closed.

Item 1 Minutes of the August 29, 2024 Regular Meeting.

DISPOSITION Approved on consent.

Item 2 Bureau of Engineering (BOE) report requesting approval to an amendment to the Memorandum of Understanding (MOU) with the Department of General Services (GSD) for the construction of the Cesar Chavez Recreation Complex Phase III C also known as: Sheldon Arleta Park Phase III C projects (Proposition K Project ID# C125-4 and C219-8), use of Proposition K: LA for Kids program and other funds, and authorization of the cost adjustments. (Proposition K, Council District 6) Action by Committee. Direction to staff and related actions.

DISPOSITION Approved.

Ohaji Abdullah, BOE, presented the report requesting approval to the MOU with GSD for the construction of the Sheldon Arleta Phase III C project and the associated cost adjustments.

Mr. Abdullah provided the history of the project which included a previous bid-and-award cycle and the subsequent decision to award the funding to GSD, as well as describing the various funding sources and project components.

Bernyce Hollins, Mayor, asked whether GSD was comfortable with the proposed budget and whether or not any value engineering had been included.

Mr. Abdallah replied that no value engineering had been included in the plans and that GSD may have some concerns regarding the funding provided for contingency is less than what they preferred.

Ms. Hollins asked whether the CTIEP funds were a request in the upcoming Fiscal Year.

Melinda Gejer, CAO, responded that the funds had been allocated in a prior Fiscal Year.

Matt Szabo, CAO, asked for confirmation that the contingency amount is \$700,000. Mr. Abdullah responded in the affirmative and specified that that contingency amount is only for the GSD portion of the project work.

- Item 3 City Administrative Officer and BOE Quarterly Status Report for Proposition K Specified projects, including but not limited to project schedule and budgetary considerations. (Proposition K; All Council Districts) Action by Committee. Direction to staff and related actions.

DISPOSITION Note and Filed.

Ohaji Abdallah, BOE, presented the informational report describing project and funding for the remaining specified projects as well as the cumulative funding shortfall that is currently anticipated.

Melinda Gejer, CAO, specified that the report shows the remaining Proposition K funds through the remaining program years, but does not include any available reprogramming or future requests from the General Fund.

Matias Farfan, CLA, requested additional information regarding the timeliness of the project estimates. Mr. Abdallah responded that the estimates are current and that projects are estimated again at each phase of development.

Mr. Farfan requested confirmation that the project estimates assume that the projects will be fully funded by the end of the Proposition K program, and Mr. Abdallah confirmed that to be the case.

Ms. Gejer added that the actual shortfall will not be confirmed until the project has gone out to bid.

Mr. Abdallah then informed the Steering Committee that BOE is working on updating the inflationary report previously presented in order to ensure that it remains factual considering the current inflationary conditions.

Bernyce Hollins, Mayor, expressed concern regarding the number of project currently in early development given the short time remaining in the program. Ms. Hollins then identified the need for projects to have been awarded construction contracts in order to receive the Proposition K funding, and asked whether BOE maintains a master schedule of the anticipated bid and award for each project.

Mr. Abdallah confirmed that they do. Ms. Hollins then requested that the information be included in the upcoming reconciliation report which Ms. Gejer indicated could be done.

Ms. Hollins then asked if the funding information would be broken out by the remaining program years. Ms. Gejer confirmed that it would.

Matt Szabo, CAO, asked whether the project estimates reflected current year prices or had been estimated to reflect the year of anticipated award.

Mr. Abdallah confirmed that the estimates are current and will reflect this year's budget request and will also be continuously updated as projects move through phases of development with a report back to the Steering Committee.

Mr. Szabo asked whether the funding is required to be fully expended by Fiscal Year 2026-27. Mr. Abdallah stated that the City will not be able to collect additional fees following the end of the program.

Mr. Szabo asked whether the projects that are currently on hold would be in danger of not receiving funds. Mr. Abdallah stated that non-Proposition K funds would need to be sought to fill the gaps, and that we have been providing funding incrementally over time.

The LAFKSC Chair adjourned the meeting at 10:02 A.M.