

# Agenda Report

December 10, 2018

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee

**FROM:** Department of Public Works

**SUBJECT: AMENDMENTS TO FISCAL YEAR 2019 CAPITAL IMPROVEMENT PROGRAM BUDGET AND AUTHORIZE AMENDMENTS TO CONTRACTS WITH YAKAR (NO. 31,113), AWI BUILDERS, INC. (NO. 30,791), TYLER TECHNOLOGIES, INC. (NO. 21,641); AND AMENDMENT TO PURCHASE ORDER CONTRACT WITH INTELLITIME SYSTEM CORPORATION (NO. 1191249).**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed actions are not "projects" as defined in the California Environmental Quality Act (CEQA), Public Resources Code Section 21065 and Section 15378(b)(4) and (5) of the State CEQA Guidelines and, as such, are not subject to environmental review;
2. Amend the Fiscal Year 2019 Capital Improvement Program Budget and the FY 2019 Operating Budget as detailed in Attachment A of this report;
3. Authorize the City Manager to amend Contract No. 31,113 with Yakar to increase the contract amount by \$75,000 for a total not-to-exceed amount of \$2,095,000;
4. Authorize the City Manager to amend Contract No. 30,791 with AWI Builders, Inc. to increase the contract amount by \$250,000 for a total not-to-exceed amount of \$7,965,300;
5. Authorize the City Manager to amend Contract No. 21,641 with Tyler Technology, Inc. to extend the performance term period of the contract to June 30, 2019; and
6. Authorize the City Manager to amend Purchase Order (PO) Contract No. 1191249 with Intellitime Systems Corporation to increase the PO amount by \$150,000 for a total not-to-exceed amount of \$432,725.

## **BACKGROUND:**

Throughout the fiscal year, the Department of Public Works in conjunction with other impacted departments review active Capital Improvement Program (CIP) projects to determine if budgetary changes are needed. Staff has completed this report detailing needed budget adjustments and contract amendments. The budgetary changes to the projects are listed below.

1. **Building Maintenance FY 2016 – 2020 (71902)** – The Department of Public Works recommends appropriating \$36,686 in Private Capital received from T-Mobile. T-Mobile leases space for a cell tower in the upper parking lot at the City Yard. These funds will be used to fund ongoing security upgrades at the City Yards.
2. **Miscellaneous Concrete Improvement Program (73928)** – The Department of Public Works recommends appropriating \$154,630 in Private Capital to this project. These funds have been collected from property owners and developers as a condition of development or sale of the property. This appropriation will be used for repairs to curbs, gutters and sidewalks.
3. **Storm Drain Master Plan (76914)** – The Department of Public Works recommends transferring the remaining balance of \$340,000 in Sewer Fund from *Annual Storm Drain System Repair & Improvements (76913)* to this unfunded project. Given favorable construction cost, the FY 2019 identified storm drain repairs are being completed as part of the current construction contract for the *Corrugated Metal Pipe Storm Drain Rehabilitation FY 2016 – 2020 (76907)* project, and therefore, the funds are no longer need on the *Annual Storm Drain System Repair & Improvements (76913)* project. This appropriation will allow for staff to begin the Storm Drain Master Plan which will identify future storm drain repair and improvement needs.
4. **Jackie Robinson Center – Kitchen Renovation (71908)** – The Department of Public Works recommends appropriating \$10,649 in Residential Impact Fees to this project and unappropriating \$23,317 in Community Development Block Grant funds from this project so it can be closed. This project was completed under budget, however, some of the design costs were disallowed by the grant. This action will allow this project to be closed.
5. **Citywide Sports Facilities Improvements and Installations (78044)** – The Department of Public Works recommends appropriating \$175,000 in Residential Impact Fees to this project for various improvements at Grant Park, and the final design of court renovations at La Pintoresca, Robinson, Brenner, Allendale and Villa Parke. The scope of work increased at Grant Park to include additional upgrades to the softball in-field area. In addition, bids came in higher than originally anticipated due to escalating construction costs. This appropriation will allow for the construction phase of the Grant Park project to be completed in May 2019, and the design phase of the five court renovations to be completed by June 30, 2019.

Furthermore, staff recommends appropriating an additional \$115,000 in Residential Impact Fees to this project and transferring \$45,000 in Tournament of Roses Community Support Gift funds from the *Restroom Buildings (Replace or Construct) – Various Locations (78038)* project to this project. Staff recommends amending the project scope to include the replacement of the gymnasium floor at Victory Park Community Center. This funding will allow this work to be completed in FY 2019.

- 6. Desiderio Park – Development of New Park (78054)** – The Department of Public Works recommends appropriating \$90,000 in Residential Impact Fees to this project, and increasing the budget by a like amount. On September 17, 2018, the City Council directed staff to relocate the site of the proposed restroom. This resulted in modifications to the project scope of work including relocating the underground utilities and other park elements in relation to the restroom as well as changes to site grading, elevations and drainage.
- 7. Hahamongna – Implement Master Plan – Trail Development (77507)** – The Department of Public Works recommends appropriating \$146,717 in Residential Impact Fees to this project, and unappropriating \$80,000 in Proposition A from this project so it can be closed. This project was to provide for improvements to the Westside Perimeter Trail. Staff reevaluated the scope of work and determined that a majority of the work is being done as part of other projects in the Hahamongna Watershed area. A large portion of the Westside Perimeter Trail will be completed as a part of the *Implement Master Plan – Hahamongna Watershed Park – Berkshire Creek Area* Improvements project. Staff will work with the Los Angeles County Regional Park and Open Space District office to reappropriate the Proposition A funds to another Hahamongna project.
- 8. Lower Arroyo – Implement Master Plan – Signage Plan (77414)** – The Department of Public Works recommends appropriating \$150,000 in Residential Impact Fee to this project, and increasing the budget by a like amount to \$329,000. The original project budget of \$179,200 included the demolition of a deteriorated restroom in Lower Arroyo which was completed in 2002 for a cost of approximately \$45,000. The remaining \$134,200 was for the Signage Master Plan. Due to the Arroyo Seco Design Guidelines requirements the complexity of establishing a Signage Master Plan and the limited staff resources, a design consultant was hired to create the specific sign design styles and complete the project. Unfortunately, the consultant cost increased as a result of community and Commission input and the number of revisions necessary to the proposed design styles and continual updates to the sign plan document. Going forward, staff will more closely manage expenditures to request funding prior to exceeding the budget. This appropriation will allow this project to be completed in early FY 2020.
- 9. Power Transmission Program (3190)** – The Water and Power Department recommends transferring \$900,000 in Power Fund from the *Azusa Hydro Upgrades and Replacements (3179)* project and \$1,100,000 in Power Fund from the *Power Production Facility Improvements (3180)* project to this project, and increasing the budget by a like amount. LADWP is the operating agent for this capital project; Pasadena owns partial equity interest and is periodically invoiced for a shared cost

allocation. During the September 18, 2018 Pacific DC Intertie Advisory Committee Meeting, LADWP notified partners that several ongoing projects will be completed by fiscal year-end, and payment schedules will be revised to catch up on invoicing. This transfer is needed to reimburse work completed on the DC Electrode Land Replacement project, Sylmar Electrode Line Submarine Replacement project, and several upgrade and replacement projects at the Sylmar Converter Station. The FY 2019 conduit repair work plan for *Azusa Hydro Upgrades and Replacements* (3179) was completed under-budget. The FY 2019 work plan to upgrade the Remote Intelligent Gateway and revenue meter projects for *Power Production Facility Improvements* (3180) has been delayed due to the prioritization of other projects.

- 10. Electric Vehicle Charging Infrastructure (3225)** – The Water and Power Department recommends appropriating \$2,400,000 in Power Funds, and increasing the budget by a like amount. Additional appropriations are requested as a fund advance to enable expedited installation of Electric Vehicle Supply Equipment (“EVSE,” i.e. charging stations) at four major locations – City Yards, Holly Street Garage, Holly Street at Centennial Square, and Marengo Street Garage. Funding from the Power Fund will be reimbursed by Low Carbon Fuel Standard credits (LCFS), a grant from the Mobile Source Air Pollution Reduction Committee (MSRC), and incentives from the Southern California Incentive Project (SCIP) and Public Benefits Fund.
- 11. Enterprise Resource Plan - Power (3207)** – The Water and Power Department recommends transferring \$124,000 from *4kV Distribution System Conversion* (3191) and \$49,000 from *Rainwater Capture and Recycling* (3197) for a total transfer of \$173,000 in Power Funds to this project, and increasing the budget by a like amount. Additional appropriations are requested in support of the Payroll and Timekeeping Phase of the ERP Project as described in number 15 of this report.
- 12. Enterprise Resource Plan - Water (1072)** – The Water and Power Department recommends transferring \$45,000 in Water Funds from *Meters and Services* (1002) to this project, and increasing the budget by a like amount. Additional appropriations are requested in support of the Payroll and Timekeeping Phase of the ERP Project as described in number 15 of this report.
- 13. Enterprise Resource Planning Project (71149)** – The Department of Information Technology recommends appropriating \$400,000 from various enterprise funds (shown on Attachment A) to this project, and increasing the budget by a like amount. The implementation of the Human Resources and Payroll modules of the Tyler Munis Enterprise Resources Planning (ERP) system as Phase 2 of this project is ongoing, and dependent upon the successful interface with the Virtual Timecard Interface (VTI) web-based time management system. Since the launch of Phase 2 nearly two years ago, the VTI system has been modified and reconfigured to integrate with the ERP system by incorporating all of the City’s timekeeping rules, inclusive of Police and Fire Departments, transitioning the labor cost accounting structure to the new Tyler Munis structure (currently VTI still hosts the old accounting structure from the prior financial system), expanding VTI’s capability to include Police Department personnel and the ability to upload TeleStaff time data

for Fire Department personnel, and providing streamlined reporting and two-way interface capabilities with the Human Resources and Payroll modules.

During this same time, testing of the modified timekeeping system has uncovered additional operating practices that require enhancement and configuration changes to be implemented to ensure 100% accurate City payroll operations. Applying shift differential rates based on eligibility and automating pay calculations for rotating shifts, continuous 24-hour shifts, and holiday premium pays are some examples of the enhancements. The goal is to eliminate manual calculation processes, improve accuracy, and reduce inconsistent interpretation of pay rules. In light of this goal and because of the expanded testing required, additional funding is required, and the estimated Phase 2 go-live date has moved from December 2018 to April 2019. The additional appropriation of \$400,000 will cover vendor implementation and part-time project management costs, as well as the extension of project related staff time into 2019, and citywide training on the newly integrated systems.

- 14. Fire Communication Dispatch Upgrades (71164)** – The Department of Information Technology recommends appropriating \$51,840 in General Fund from the Fire Department’s operating budget to this project and amending the project scope to include the replacement of approximately 32 in-vehicle mobile data computers (MDC) for the fire apparatus vehicles. The new MDCs will allow for interfacing with the Verdugo Fire Communication Center’s new Computer Aided Dispatch system. The title of this project will be changed to the *Fire Mobile Data Computer and Data Connectivity Upgrades* since the scope of work will now include the Fire MDC replacements, as well as the network data connectivity upgrades that are both required to maintain compatibility with the upgraded Verdugo Computer Aided Dispatch system.
- 15. Brookside Clubhouse Upgrades – FY 2018 – 2022** – The Rose Bowl Operating Company (RBOC) recommends appropriating \$376,211 in Levy Capital Improvements Fund to this project. This appropriation will fund the purchase of existing food and beverage equipment and small wares previously owned by American Golf Corporation along with additional new smallwares, purchase of new portable ‘eTuk’ carts, and the initial Conceptual Study for additional clubhouse improvements.
- 16. Master Plan for Brookside Golf Course – Fairway Improvements – FY 2018 – FY 2022** - The Rose Bowl Operating Company recommends appropriating \$123,789 in RBOC Unrestricted Reserve Funds to this project. As part of the American Golf Corporation (AGC) Settlement for transition from Lease to Management Agreement, the RBOC is required to reimburse AGC for money spent on various fairway improvements. This appropriation will provide the necessary funds for this transaction.
- 17. Rose Bowl Major Improvements - FY 2018 – 2022** – The Rose Bowl Operating Company recommends appropriating \$225,000 - RBOC Unrestricted Reserve Funds, \$85,000 – Legacy Connections Fund, and \$745,000 - Levy Capital Improvements Fund to this project. This appropriation will fund seven improvement

projects: Construction of an East Beer Garden on the concourse adjacent to Lot D; the purchase of new crowd control stations for the concourse; emergency gas repairs; North removable fence/gate; Area H conduits; ADA improvements; and concession stand upgrades. This work will begin in FY 2019.

### **Contract Amendments**

- A. The Department of Public Works recommends increasing the YAKAR Contract No. 31,113 by \$75,000 for a total not-to-exceed amount of \$2,095,000. YAKAR is responsible for the construction of the *Desiderio Park – Development of a New Park* (78054) project. This contract amendment is for the modifications and additions to the project scope of work due to relocation of the proposed restroom as per City Council direction on September 17, 2018. Modifications to the construction work include extension of underground utilities to new location, reconfiguration of park elements as well as changes to site grading, elevations, and drainage.
- B. The Department of Public Works recommends increasing the AWI Builders, Inc. Contract No. 30,791 by \$250,000 for a total not-to-exceed amount of \$7,965,300. AWI Builders, Inc. is responsible for the construction of the *Robinson Park – Recreation Center Renovation Project* (78043). This contract amendment is in anticipation of potential change order requests from the contractor for final project close out. None of the change order requests have been accepted by staff, as they are currently under review to determine validity and subsequently negotiate a substantiated cost with the contractor. These anticipated change order requests are associated with additional work due to unforeseen field conditions and additional mechanical, plumbing, electrical, and fire and life safety systems requirements not included in the base contract.
- C. The Department of Information Technology recommends extending the contract term for Contract No. 21,641 with Tyler Technologies, Inc. through June 30, 2019 to account for the new implementation date and allow Tyler to remain engaged beyond the current contract expiration date of December 31, 2018. This extension will also provide flexibility should further challenges surface, however, staff does not anticipate additional appropriations will be needed.
- D. The Department of Information Technology recommends increasing the Intellitime Systems Corporation Purchase Order Contract No. 1191249 by \$150,000 for a total not-to-exceed amount of \$432,725. Intellitime Systems Corporation is responsible for the configuration of the Virtual Timecard Interface (VTI), web-based time management system. This increase is needed in light of the shift in the Phase 2 go-live date to April 2019, and will enable the vendor to remain engaged to address any issues from the citywide parallel payroll testing, and incorporate system enhancements as enumerated above.

**COUNCIL POLICY CONSIDERATION:**

All of the above projects and actions address City Council's goals to maintain fiscal responsibility and stability and improve, maintain, and enhance public facilities and infrastructure.

**ENVIRONMENTAL ANALYSIS:**

CEQA excludes from environmental analysis those actions that are not "projects" as defined by State CEQA Guidelines Section 15378. That section excludes from the definition of "project" the creation of government funding mechanisms and fiscal activities which do not yet commit the lead agency to any specific project, and also excludes organizational or administrative governmental activities that do not result in physical changes to the environment. The actions proposed herein are budgetary and part of the City's normal administrative process as it takes early steps to prepare for the possibility of undertaking a project, and therefore they are not yet "projects" as defined by CEQA. As the City becomes more certain it will undertake one of the projects, and before it commits itself to the project, the appropriate environmental analysis will be conducted and brought to the appropriate City body for approval.

**FISCAL IMPACT:**

The cumulative result of these recommendations will increase the FY 2019 CIP budget by \$5,182,205 and decreasing the FY 2019 Operating budget by \$51,840. The specific funding sources for the budget amendments are listed on Attachment A.

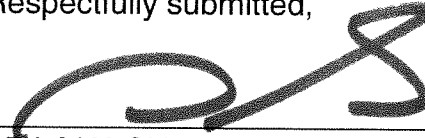
The cost of amending Contract No. 31,113 is \$75,000. The total cost for this contract will now be \$2,095,000. Funding for this action will be addressed by the amended budget in the *Desiderio Park – Development of new Park (78054)* project as described in Item #6 of this report. It is anticipated all of the cost will be spent in FY 2019.

There is no fiscal impact in amending Contract No. 30,791 by \$250,000 for a total not-to-exceed amount of \$7,965,300. Funding for this action will be addressed by the utilization of existing and recommended budget appropriations in the *Robinson Park – Recreation Center Renovation Project (78043)*. It is anticipated all of the cost will be spent in FY 2019.

There is no fiscal impact in amending Contract No. 21,641 to extend the performance term period of the contract to June 30, 2019.

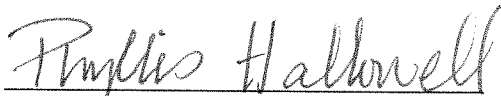
The cost of amending Purchase Order Contract No. 1191249 is \$150,000. The total cost of this PO will now be \$432,725. Funding for this action will be addressed by the amended budget in the *Enterprise Resource Planning Project (71149)* as described in Item #13 of this report. It is anticipated all of the cost will be spent in FY 2019.

Respectfully submitted,



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