

**Proposition O Citizens Oversight Advisory Committee (COAC)
Meeting Minutes
Monday, March 21, 2022
2:00 P.M.**

Committee Members

Adi Liberman (Chair)	Craig Perkins
Miguel Luna	Francine Diamond
Cynthia McClain-Hill	

City Staff

Salyna Cun (CAO)

Rafael Prieto [Chief Legislative Analyst (CLA)]

Blayne Sutton-Wills [Chief Legislative Analyst (CLA)]

Ted Jordan (City Attorney)

Christopher Johnson (BOE)

Michael Scaduto [Bureau of Sanitation (LASAN)]

Bold indicates members or staff present.

Note: The minutes below follow the order in which the meeting's agenda items were discussed. The meeting was called to order at 2:13 p.m. Three members were present at the start of the meeting as shown in bold above. A quorum was not achieved throughout the meeting.

1. **(Item #2)** City Administrative Officer (CAO)/Chief Legislative Analyst (CLA)/Citizens Oversight Advisory Committee (COAC) representative update on Proposition O (Prop O) issues and Administrative Oversight Committee (AOC) meetings - Information only

ACTION: No action.

2. **(Item #1)** General Public Comment, Multiple Agenda Item

Two public comments relative to the Westwood Neighborhood Greenway Project.

3. **(Item #3)** Update by the Bureau of Engineering (BOE) on the Proposition O Program – Information only

Chris Johnson (BOE) provided the following project updates:

- Aliso Limekiln Restoration – This project is currently still in design. The Bureau has re-engaged with the consultant to incorporate any necessary updates to the design due to the project being on hold.
- Machado Ecosystem Restoration Project – The Habitat Restoration and Mitigation Plan has been completed and was approved by the California Fish and Wildlife today.
- Penmar Phase III Project – The preliminary design was completed. The bids were received in February 2022, but the bids came in high. The funding gap will be considered later in the agenda, under Item No. 9.
- Taylor Yard G2 Water Quality Project – This project will be implemented along with the adjacent Paseo del Rio Project. The Bureau anticipates going to the Board soon to award the project. The overall Taylor Yard restoration is not anticipated to occur before 2028. The project needs to include restoration work, including habitat. The Bureau prepared an

updated cost estimate for the water quality portion of the project, which will be considered later in the agenda, under Item No. 7.

- Westwood SCADA Project – This was part of the original scope of the Westwood Project. The SCADA Project was removed from the construction scope due to the implementation timeline for it and a grant deadline to complete construction of the Westwood Project. The request for the SCADA Project will be considered later in the agenda, under Item No. 8.

Salyna Cun (CAO) reported that Miguel Luna has joined the meeting.

ACTION: None.

4. (Item #6) BOE report relative to the Proposition O – 2021/2022 Budget Adjustments for Fiscal Year 2021-22 – Action by Committee

Chris Johnson (BOE) reported on the budget adjustments for current and completed project as follows:

- 1) Argo Drain Sub-Drain Facility Project - Decrease the project budget by \$2,500,000, from \$38,087,269 to \$35,587,269 to reflect project savings. This is a partial budgetary close-out since the project remains in construction due to commissioning operations. Final close-out is anticipated by June 2023 or upon Board of Public Works' acceptance of the project.
- 2) Catch Basin Phase IV – Decrease the project budget by \$249,961 to reflect final savings.
- 3) Machado Lake Ecosystem Restoration – Decrease the project budget by \$1,350,000 to reflect project savings. This is a partial budgetary close-out. There should be a minor savings upon final close-out, which is anticipated in June 2022 or upon Board of Public Works' acceptance of the project.
- 4) Penmar Water Quality Improvement Phase II – Decrease the project budget by \$757,524.
- 5) Temescal Water Quality Phase II – Decrease the project budget by \$266,175

The total savings from this report is \$5,123,660. The other recommendation in the report is to recognize adjusted budgets for projects that had completed close-out at the time of the Council approval on June 15, 2021 as described in the City Administrative Officer's report dated May 19, 2021 relative to the use of the remaining Proposition O Program contingency funds. Those adjustments will be reflected in the upcoming Monthly Reports.

Francine Diamond asked when the COAC could review the list of potential projects that it voted on and whether the savings could be used to fund any potential projects on that list. Salyna Cun (CAO) reported that at the last COAC meeting, the COAC recommended approval of those remaining potential projects on the list, which included the Hollenbeck, Rosa Parks, and Public Right-of-Way Low Impact Development projects. Salyna also reported that there are no pending projects in the queue.

Craig Perkins asked for clarification regarding the budget reserves paragraph. Chris Johnson reports that the \$4 million in savings are from the Argo Project, Catch Basin Project, and the Machado Ecosystem Project. The \$4 million in reserves is separate from the \$5 million in savings.

Adi Liberman (Chair) asked about Recommendation No. 7 and what type of technical corrections will be needed. Chris Johnson deferred the question to Salyna Cun. The response was that technical corrections are usually for minor corrections, such as correcting account numbers or the project name. Any significant corrections will need to go back to the Committee and Council for approval. Additionally, the Bureau of Engineering, as the fund manager, could make technical corrections to move funds between projects to fund project costs since the remaining bonds have not been issued.

Adi Liberman asked what actions the Committee could take to move the item forward to the AOC. Ted Jordan (City Attorney) responded that five members are needed to take action. The items could go without a recommendation. It could be a communication, not a formal action. The members present could concur with the communication.

Action: Communicate item to the AOC

5. (Item #8) BOE report relative to the Request for Proposition O Funding to Construct a Supervisory Control and Data Acquisition (SCADA) Communication System for the Westwood Neighborhood Greenway SCADA Project (Westwood SCADA Project) – Action by Committee

Chris Johnson reported that the construction of the greenway was completed in December 2020. The original scope included the SCADA communication system to provide remote monitoring and control of the project pump station from the Venice Pumping Station. Due to the delay of the implementation of the SCADA project, it was removed from the original Westwood project scope in order for the project to meet the grant deadlines. The budget request is \$400,000. If approved, the project will start in July 2022.

Adi Liberman inquired about installing signage as requested by the public. Gordon Haynes (LASAN) reported that the signage will be funded through a separate effort and warning signs will be taken care of by LASAN as part of its operational efforts.

Action: Communicate item to the AOC

6. (Item #4) BOE report relative to the to the Proposition O Master Schedule Update for 2021-22 – Action by Committee

BOE reported that it included the addition of two projects, Taylor Yard Water Quality Project and the Penmar Water Quality Phase III. It modifies the schedules for four projects: Aliso Limekiln Restoration, Argo Drain Sub-Basin, Machado Lake Ecosystem, and the Rory Shaw Project. It reflects the completion of three projects: Albion Riverside, Penmar Water Quality Phase II, and Temescal Canyon Phase II.

The next update for 2022-23 will be prepared in July 2022.

Chair inquired about the Rory Shaw Wetlands Park project and the schedule. Chris Johnson reported that the LA County has experienced geotechnical related issues as it is a landfill site and unanticipated conditions. Additionally, the LA County is coordinating on a flood control project that will bring water to the park. Kosta Kaporis (LASAN) reported that the project has a long construction schedule since it involves hauling a lot of materials to create space for the basin and the wetland and it involves three different phases.

Action: No action

7. (Item #5) BOE report relative to the Proposition O Staffing Appropriation for Fiscal Year 2021-22 – Action by Committee

BOE reported on the staffing appropriation of up to \$3,782,614 for 2022-23 as follows: \$393,896 for BCA, \$2,126,249 for BOE, and \$1,262,469 for LA Sanitation and Environment. Chair asked if the departments have staff on-hand or if the departments will need to recruit new staff. Chris Johnson reported that the positions in BOE are filled to the extent that it can and if it needs to use other resources, then those positions would be reimbursed from the Prop O funds.

Kosta Kaporis reported that Sanitation's Watershed Protection Division had previously reported on the Prop O projects, but now it will be the new division, the Safe Clean Water Implementation Division. This division is managed by Michael Scaduto. Michael Scaduto reports that Sanitation has filled positions that are funded by Measure W and those positions will be reimbursed by the Prop O Program for work performed.

Action: Communicate item to the AOC

8. (Item #7) BOE report relative to the Taylor Yard G2 Water Quality Improvements Project Budget Increase – Action by Committee

Chris Johnson reported on the budget increase for the Taylor Yard G2 Project by \$4 million, from \$16.4 million to \$20.4 million.

The Mountains Recreation and Conservation Authority (MRCA) will contribute \$4 million in Proposition 1 Grant funding that was awarded by the Santa Monica Conservancy. The grant agreement requires the implementation of additional public access and habitat restoration at the G2 parcel. Since the overall G2 project will not be realized until 2028, the public access and habitat restoration scope will need to be included with the water quality project. The Bureau of Engineering updated the cost estimate for the water quality project and determined that there is a \$1.4 million funding gap. The estimate for the public access and habitat restoration improvements is about \$2.6 million. Therefore, the total project cost is \$20.4 million. The MRCA Board reviewed the \$4 million allocation and provided support of their recommendation by taking action on June 2022 and subsequent, it sent a letter to the City reflecting that action. BOE reported that the additional public access and habitat restoration has not been completed yet. BOE will be awarding design of the project and it could incorporate these changes in the task order to the consultant.

Adi Liberman asked BOE to provide an overall picture of the Taylor Yard G2 project, what the project looks like, and what the project entails at the next meeting.

Action: No action

9. (Item # 9) BOE report relative to the Penmar Water Quality Improvements Phase III Project Budget Increase – Action by Committee

Chris Johnson reported that it is requesting a budget increase of \$3.1 million, from \$2.5 million to \$5.6 million. This project was awarded a \$2.5 million grant.

Salyna Cun reported that Cynthia McClain-Hill has joined the meeting and that there may be a quorum assuming that Francine is still present.

Chris Johnson continued with his report that the project was awarded a grant that required project completion by the end of 2022. To meet this deadline, the Bureau will use a design-build approach. The bids came in significantly higher than estimated and could not be awarded in Feb 2022. To award the project to the low bidder, an additional \$3.1 million is needed. LASAN is currently engaging with the grantor for a time extension or increase in funding. This is still pending a decision by the grantor.

Chris Johnson reports that the existing Phase II does meet the TMDL requirements. Phase III would improve treatment to meet newer LA County Public Health requirements for reuse of water. The impact of not funding Phase III is the unavailability of treated water flow for use at Penmar Park, Penmar Golf Course, and Santa Monica Marine Park. Additionally, this would require the City to decline the grant. The prior \$2.1 million grant (for Phase II) will not be impacted by such

action. The estimated cost of generation of 660 acre feet of treated water on an annual basis is about \$17,000 per acre foot based on estimated annual maintenance cost for the facility.

Adi Liberman asked where the \$3.1 million is coming from. Chris Johnson reported that it will come from the \$5.1 million in project savings that were identified in an earlier memo.

Craig Perkins asked if staff is recommending that the project should move forward regardless of the high cost and what would be the consequences of the project if Phase III is not implemented. Chris Johnson reported that the impact will be no treated water for reuse. The water would continue to go to the treatment plant. Kosta Kaporis noted that the diverted flow to the Hyperion Treatment Plant does provide some reuse benefit, but not to those sites.

Kosta Kaporis clarified that the amount of water involved is 660 acre foot over 30 years.

Chris Johnson reported that the project would not upgrade the irrigation system at the Penmar Golf Course. The irrigation system would have to be upgraded by Recreation and Parks. Craig Perkins asked if there will be a demand for the treated water if the irrigation system is not installed. Chris Johnson mentioned that if Penmar Golf Course is not able to receive the water, then it will be the Santa Monica Marine Park only.

Mike Scaduto responded that Recreation and Parks viewed this project as a way to reduce their demand on potable water. This Phase III Project will help support that effort. Additionally, the City of Santa Monica is expecting the City to provide this water and is anticipating the implementation of this project. Mike Scaduto also clarified that by implementing Phase III, the Penmar Golf Course does not have to do any upgrades to the irrigation system. They could use the water since it will be treated to updated standards. If City does not implement Phase III, Penmar Golf Course will have to put in a different type of system to allow it to drip in order to use the water.

Craig Perkins asked about the \$17,000 acre foot cost. Chris Johnson reported that the acre foot cost is based on estimated operation and maintenance, not the capital cost to the project. Craig Perkins noted that this is expensive since the City would have to charge more than \$17,000/acre foot to recover the project cost.

Mike Scaduto mentioned that this request is not ideal, but between the time that the project was approved and ready to be delivered, the LA County Public Health changed its criteria that must be met.

Craig Perkins asked if the \$3.1 million in funds would be better invested in the Phase III project or another Prop O project that will have a greater positive outcome. He also mentioned that he supports this request, but noted that sometimes there are sub-optimal choices that they have to make.

Salyna Cun reported that there are three budget requests, totaling \$7.5 million, that are before the COAC for consideration and the total project savings is about \$5.1 million. Salyna asked about the status of the time extension from the State. Kosta Kaporis mentioned that the State has not provided a response yet.

Adi Liberman asked about the timing issues on the recommendations and whether it could wait. Chris Johnson mentioned that the budget increase is still pending the State' response on whether it could be reimbursed by the grant. Chris also reported that it would be desirable to know the outcome for the TY G2 budget increase so that the consultant that will be brought on board soon will know what it will design. As for the Westwood SCADA project, the Bureau is ready to proceed at any time, with a project schedule of July 2022.

Adi Liberman moved to take action on the item. Four members, excluding Francine Diamond, voted yes on the item. Therefore, Adi stated to communicate the item to AOC regarding the issues that were discussed.

Action: Communicate item to the AOC

10. (Item #10) Report by the CAO on AB 361 finding relative to remote meetings – Information only

Salyna Cun reported that on September 16, 2021, Governor Newsom signed AB 361 which allows a legislative body to continue to teleconference without following the Brown Act's rules that require each teleconference location be listed on the agenda, be open to the public, be ADA accessible, and so on. To teleconference under AB 361, a legislative body must initially teleconference during the Governor's proclaimed state of emergency and then make certain findings no later than 30 days thereafter and then 30 days after the prior findings.

Action: None

11. Approval of Minutes from the April 19, 2021 Special meeting - Action by Committee

Action: None

12. Adjournment

The meeting was adjourned at 3:23 p.m.

**Proposition O Citizens Oversight Advisory Committee (COAC)
Meeting Minutes
Monday, April 19, 2021
2:00 P.M.**

Committee Members

Adi Liberman (Chair)	Craig Perkins
Miguel Luna	Francine Diamond
Cynthia McClain-Hill	

City Staff

David Hirano [City Administrative Officer (CAO)]
Salyna Cun (CAO)
Rafael Prieto [Chief Legislative Analyst (CLA)]
Laurie Rittenberg (City Attorney)
Christopher Johnson (BOE)
Shahram Kharaghani [Bureau of Sanitation (LASAN)]

Bold indicates members or staff present.

Note: The minutes below follow the order in which the meeting’s agenda items were discussed.
 Quorum was achieved and meeting called to order at 2:05 pm.

1. **(Item #1)** General Public Comment

No public comment.

2. **(Item #2)** Approval of the Minutes from prior meeting on March 15, 2021

ACTION: Approved.

3. **(Item #3)** Discussion and Possible Action: Committee Chair’s Report

ACTION: No action.

4. **(Item #4)** City Administrative Officer (CAO)/Chief Legislative Analyst (CLA)/Citizens Oversight Advisory Committee (COAC) representative update on Proposition O (Prop O) issues and Administrative Oversight Committee (AOC) meetings

Salyna Cun (CAO) reported that Council approved the Prop O Report which included staffing appropriations, various budget adjustments and project budgets for the TY G2 Water Quality Improvement Project, Penmar Water Quality Improvement Phase III Project, and the Aliso Creek Limekiln Creek Restoration Project. As a result of the this approved Prop O Report, the available Prop O Program Budget is \$20.5 million. Recommendation No. 10 of the Report instructed the Oversight Committee to report back with a plan for a plan for the use of the remaining Prop O Program Contingency and the close-out of the Program. The CAO and CLA have prepared an equitable funding plan, which will be presented during Agenda Item No. 6. CLA reported that it had no updates.

ACTION: No action.

5. (Item #5) Proposition O Program Report Update (Bureau of Engineering)

Chris Johnson (BOE) reported that the Clean Water Division will be initiating design for the Taylor Yard G2 and Penmar Phase III projects. The Aliso Creek Limekiln Restoration Project will need to complete design review and agreements with the Department of Recreation and Parks and LA County before proceeding to the construction phase. The Vermont Avenue Stormwater Capture and Green Street Phase II Project was completed.

ACTION: No action.

6. (Item #6) Discussion and Possible action: Discussion on an equitable funding strategy for the remaining Prop O funds relative to

Salyna Cun (CAO) reported that there are five projects that remain unfunded and are in the queue for funding considerations and two new projects, which were presented by LASAN at the last meeting. CAO reported that the Big Tujunga Revised and Sepulveda Median projects were not recommended for Prop O funding. Funding for these projects could be addressed during the City's annual budget process. Funding of \$7.5 million was recommended for three projects in the queue, consisting of \$5 million for the Hollenbeck Park Lake, \$1.5 million for the Rosa Parks Learning Center and \$1 million for the Public Right of Way Low Impact Development. The remaining balance of over \$13 million was recommended for the Lincoln Lake Project (\$1.6 million) and the Ballona Creek TMDL Project (\$11,431,269).

ACTION: Approved the CAO and CLA's recommendation on an equitable funding strategy.

7. (Item #7) Adjournment

The meeting was adjourned at 2:36 p.m.