



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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"To Enrich Lives Through Effective And Caring Service"

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September 16, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**DEPARTMENT OF AUDITOR-CONTROLLER:
DOWNEY WARRANT PROCESSING RENOVATION PROJECT
ESTABLISH CAPITAL PROJECT AND APPROPRIATION ADJUSTMENT
(FOURTH DISTRICT)
(3 VOTES)**

SUBJECT

Find the proposed Downey Warrant Processing Renovation Project categorically exempt from the provisions of the California Environmental Quality Act; establish Capital Project No. 87255 for the proposed Downey Warrant Processing Renovation Project; and approve appropriation adjustment to fund the Project.

IT IS RECOMMENDED THAT THE BOARD:

1. Find the Department of Auditor-Controller's proposed Downey Warrant Processing Renovation Project categorically exempt under the California Environmental Quality Act for the reasons stated in this letter and in the record of the Project.
2. Establish Capital Project No. 87255 for the proposed Downey Warrant Processing Renovation Project.
3. Approve an appropriation adjustment to transfer \$200,000 from the Auditor-Controller's Fiscal Year 2014-15 Operating budget, and \$47,000 from the Fiscal Year 2014-15 Probation-Support Services budget to the Capital Project/Refurbishment Budget - Capital Project No. 87255 to fund \$247,000 of renovation services for the proposed Downey Warrant Processing Renovation Project.

4. Authorize the Internal Services Department to manage and deliver the proposed Project using a Board-approved Job Order Contract and Internal Services Department staff.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will find the proposed Downey Warrant Processing Renovation Project (Project) exempt from the California Environmental Quality Act (CEQA); establish Capital Project No. 87255 for the Project; approve an appropriation adjustment; and allow the Internal Services Department (ISD) to carry out the proposed Project using Board-approved Job Order Contractor (JOC) and ISD staff.

Background

The Department of Auditor-Controller's (A-C), Disbursements Division, Warrant Processing and Controls (WP&C) Section, is located in a County-owned building at 9150 E. Imperial Highway, Downey (Downey Building), along with the Probation Department (Probation) and ISD. WP&C mails warrants issued to vendors and recipients of County services. WP&C processes welfare, foster care, general relief warrants, and electronic payments mainly for two clients, the Departments of Public Social Services and Children and Family Services. ISD, located adjacent to the A-C space in the Downey Building, prints the warrants and the WP&C Section processes and mails the warrants.

On April 10, 2014, to streamline and consolidate business operations, A-C transferred other units and staff from the Downey Building to the Hall of Administration, located in downtown Los Angeles. Currently, only seven A-C staff remain at the Downey Building to handle the warrant processing and mailing operation. They are housed in approximately 10,000 square feet of office space, and although some of the space is needed for secure warrant storage, mailroom equipment, and related supplies; approximately 60 percent of the space is unused as a result of A-C staff consolidation.

Recently, Probation experienced a substantial increase in staffing in the Return-to-Work Section, the Risk Management Division, and the Performance Management Section, among others, at the Downey Building. Due to their need for additional office space, Probation requested the available space from A-C. The additional space will help Probation with the realignment and consolidation of their various programs/units.

The proposed Project will make one conference room, six offices, the majority of the holding room, and the main office space with 41 potential workstations available to Probation.

The proposed Project also addresses workplace safety hazards and mitigates employee health issues by abating existing asbestos in tiles and walls. The proposed Project consists of the design, demolition, asbestos abatement, and construction of interior walls; painting; carpeting; rewiring, testing, and certification of electrical voice and data lines; installation of modular office furniture; cleaning of the heat coil to provide efficient heating; and installation of duct work and grill for the return air to the modified staff room.

The A-C evaluated various layouts that would accommodate the space needs of Probation while maintaining the security and integrity of A-C's warrant processing and mail room function. A-C selected the most cost-effective layout that could consolidate A-C's staff into one office location allowing for improved efficiency, security, and supervision. A-C staff will be able to conduct physical warrant reconciliations in an enclosed, secure space separate from Probation staff.

Green Building/Sustainable Design Program

The proposed Project will support the Board's Policy for Green Building/Sustainable Design Program by repurposing the available space and any possible materials. Additional sustainability features include utilization of low-emitting construction material, efficient electrical light bulbs, and recycling of nonhazardous construction waste.

Implementation of Strategic Plan Goals

The recommendation supports the Board-approved Strategic Plan Goals of Operational Effectiveness/Fiscal Sustainability (Goal 1) by providing employees with a secure and updated workplace that promotes a positive work environment that contributes to increased productivity and decreased worker's compensation claims.

FISCAL IMPACT/FINANCING

The proposed Project is estimated to cost \$247,000, which includes construction activities, including abatement and renovation services for the proposed Project. Approval of the attached appropriation adjustment (Attachment) will authorize the transfer of \$200,000 from the A-C's Operating budget and \$47,000 from the Probation-Support Services budget to the Capital Project No. 87255. The proposed Project is funded by net County cost derived from one-time savings in the A-C's Fiscal Year (FY) 2013-14 Operating Budget and Probation's FY 2013-14 Support Services budget that was carried over into FY 2014-15, specifically for this proposed Project.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This proposed Project is exempt from the Civic Art Policy since it is a refurbishment project with Eligible Project Cost of less than \$500,000.

ENVIRONMENTAL DOCUMENTATION

This proposed Project is categorically exempt from CEQA. The proposed Project includes interior alterations of an existing public facility, including demolition of walls, painting, electrical, voice and data wiring, testing, asbestos abatement and certification. The work is, therefore, within a class of projects that has been determined not to have a significant effect on the environment in that it meets criteria set forth in Section 15301(a) and (f) of the State of CEQA Guidelines and Class 1(d) and (i) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. The proposed project involves negligible or no expansion of an existing use. In addition, the proposed Project is not located in a sensitive environment, and there are cumulative impacts or other limiting factors that would make use of the exemption inapplicable based on the Project records.

Upon the Board's approval of the proposed Project, ISD will file a Notice of Exemption with the Registrar-Recorder/County Clerk in accordance with Section 15062 of the State CEQA.

CONTRACTING PROCESS

The proposed Project will be managed by ISD with the work being performed by a JOC previously awarded by the Board, as well as ISD staff.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The construction will be done after work hours and, therefore, will have no impact to current services. ISD will coordinate the construction and demolition of the Project with A-C staff in order to minimize impacts to existing operations and staff.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Facilities and Asset Management Division; Department of Auditor-Controller; and the Internal Services Department.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "W. T. Fujioka" with a stylized flourish at the end.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SHK:DJT
TJ:AT:rp

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Internal Services
Probation

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF AUDITOR-CONTROLLER

DEPT'S. NO. 050

September 16, 2014

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2014-15

3 - VOTES

SOURCES

USES

Auditor-Controller
A01-AU-2000-10700
Services and Supplies
Decrease Appropriation \$200,000

Probation-Support Services
A01-PB-2000-17000-17100
Services and Supplies
Decrease Appropriation \$47,000

SOURCES TOTAL: \$ 247,000

Auditor-Controller
Downey Warrant Processing Renovation
A01-CP-6014-65021-87255
Capital Assets-Building & Improvement
Increase Appropriation \$247,000

USES TOTAL: \$ 247,000

JUSTIFICATION

This appropriation adjustment is necessary to transfer funding from the Auditor-Controller's operating budget and the Probation-Support Services budget to establish the Auditor-Controller's Downey Warrant Processing Renovation Project.

AUTHORIZED SIGNATURE [NAME]

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR --

- ACTION
RECOMMENDATION

AUDITOR-CONTROLLER

BY [Signature] August 27 20 14

B.A. NO. 018

APPROVED AS REQUESTED

APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY [Signature] Sept 4 20 14