

REPORT OF GENERAL MANAGER

APPROVED
DEC 11 2008

NO. 08-347

DATE December 11, 2008

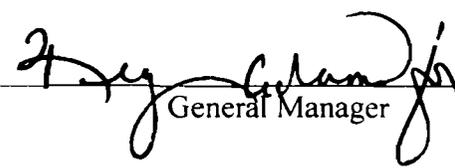
**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. All

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: AMENDMENT TO PERSONNEL RESOLUTION NO. 10238 – SECTION 1E
(SUBSTITUTE POSITIONS)

R. Adams		J. Kolb	_____
*H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
V. Israel	_____	M. Shull	_____



General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board amend Personnel Resolution No. 10238 effective immediately as follows:

Section 1E – Substitute Positions:

ADD

<u>No.</u>	<u>Code</u>	<u>Classification & Location</u>
1	9241	Assistant General Manager - Planning and Development
1	7246-3	Civil Engineering Associate III - Planning and Development
1	7310-2	Environmental Specialist II - Planning and Development

SUMMARY:

The Department operates one of the largest park systems in the United States and provides over 15,700 acres of parkland and open space for residents and visitors of Los Angeles to enjoy. The 404 parks operated by the Department are home to 183 Recreation Centers, 31 Senior Citizen Centers, 26 Child Care Centers, 13 golf courses, 368 children's play areas, 256 ball fields, 54 soccer fields, 321 tennis courts, 60 swimming pools, 9 skate parks, 7 camps, 12 museums, 12 universally accessible playgrounds, and 9 off-leash dog parks. The park system also includes beaches, lakes, camps, museums, horticultural grounds, and historic sites.

REPORT OF GENERAL MANAGER

PG. 2

NO. 08-347

By serving as community social hubs, parks in Los Angeles play a vital role in preserving and strengthening the City. The parks bind our disparate urban communities together and give life to our neighborhoods. Recreation programs and park facilities offer positive alternatives, particularly for youth, teens, and families. Park programs and recreational opportunities provided by the Department are especially important to Los Angeles youth given that 30% of the City's population, about 1.2 million people, are eighteen years of age or younger. The general demand for the programs and services provided by the Department is "counter-cyclical" to the economic cycle. When the economic cycle turns down, as it has in the last year, the public demand for our programs and services rises as people seek out more recreational opportunities that are either free or affordable. For all these reasons, the ability of the Department to carry out its mission is critical to the welfare of the City as a whole.

It requires an extraordinary workforce to maintain and operate an aging park system that serves over four (4) million people, as well as to improve the system by planning and implementing capital improvements and acquisitions. Historically, improvements and acquisitions to our park system have been funded by Proposition (Prop) K with supplemental funding coming from sources such as Propositions 12, 40, and A, as well as from the Community Development Block Grant (CDBG) and Quimby. However, in recent years, Quimby has become the sole source of funding for many capital projects and acquisitions. Between 2003 and 2007, the Department's capital funding grew to more than \$100 million as a result of the surge in large private development projects and the payment of Quimby fees levied on such development.

The Department of Public Works, Bureau of Engineering (BOE) currently manages over 130 projects valued at more than \$300 million and awarded via Prop K, Prop 12, Prop 40, Prop A, CDBG, and Quimby. Over the past two (2) years, nearly 100 projects funded by Quimby were added. This nearly doubled BOE's total project management workload. And it is anticipated that this number of projects will double again during the next two years as more projects continue to be added through the Quimby Program and the Prop 84 competitive grant process. Prop 84, which passed in November 2006, makes over \$800 million in competitive funding available for parks statewide. Another \$7 million in projects was also added during the past three (3) years through funding that was provided by public/private partnerships and philanthropic organizations. These projects include a series of game court, gym floor, ball field, playground, and skatepark additions or renovations that are either underway now or on the horizon. Finally, the Department's Golf Division is also poised to implement millions of dollars in capital improvements to our golf courses.

While the downturn in the state and national economy has already started reducing levels of City and Department staffing, our existing funding for capital projects will not be significantly impacted (with the exception of *future* Quimby collections as they are tied to residential development). Neither the \$100+ million in Quimby funding that has been collected is at risk nor is any previously approved capital grant or the funding available under Prop K.

REPORT OF GENERAL MANAGER

PG. 3

NO. 08-347

When participants in the Citywide Park Needs Assessment were asked to rank their level of support for various actions the Department could take to improve the park system, the top four actions identified involved upgrading existing parks, fixing up or repairing existing park buildings and recreation centers, upgrading existing athletic fields, and fixing up or repairing existing swimming pools. It would be tragic if our park system was incapable of making much needed infrastructure improvements important to the City's constituents, despite the availability of capital funding, due to a lack of adequate staffing.

As part of our response to the Mayor calling for zero growth and 9% budget reduction packages for Fiscal Year 2009-2010, the Department has developed a strategy to minimize the impact a budget reduction will have on our service levels and to save and create jobs. That strategy involves aligning the park and facility needs with available capital funding and redistributing existing maintenance repair and facility repair staff to work on funded projects in lieu of their traditional functions. It is noted that the affected employees will continue to perform work appropriate to their classifications; the only difference will be that they will work on special funded capital projects. The staffing needs and measurable benefits of this strategy, which we are calling the "In-house Construction Capital Delivery Plan," are defined in more detail below.

Under the "In-house Construction Capital Delivery Plan," the Department will:

- Reorganize the Citywide Construction (93 positions), Planning and Development (26 positions), and Grants Administration (12 positions) Divisions under a single division. The goal of this reorganization is to align advance planning, available and future funding, and the Department's Capital Improvement Plan (CIP) with existing resources to construct many of the small to medium size projects in-house. [The current Citywide Construction Division is comprised of 93 positions – 15 of which are vacant – that largely perform a variety of trades including paving, roofing, carpentry, plumbing, electrical, painting, and heavy equipment operation. Examples of projects that were developed and are already being completed by the Citywide Construction Division include the Pan Pacific Pool Rehabilitation Project (funded by Quimby), the Del Rey Lagoon Restroom and Playground Refurbishment Project (funded by Quimby), and a number of parking lot refurbishment projects (funded by golf surcharge). In total, approximately \$20 million in projects have already been identified that could be completed by this in-house workforce. For example, the Department's pool crew is being scheduled over the next 6-8 months to work sequentially on the swimming pools at Pan Pacific, Venice, and Freemont. Both the pools at Venice and Freemont are currently closed and their renovation will be funded by a combination of Quimby and Los Angeles Unified School District funding.]

REPORT OF GENERAL MANAGER

PG. 4

NO. 08-347

- Create landscape/irrigation crews from existing maintenance staff outside the Citywide Construction Division to perform capital funded projects related to irrigation and landscaping. This will offset General Funded salaries through cost recovery from special funds and secure future employment with the City. As projects are identified, they will be scheduled and resource loaded according to available in-house staff and special funds.
- Prepare expenditure reports on a quarterly basis to review work order charges and process accounting documents needed to effectively charge salaries against appropriate funding sources for the work completed.
- Assign administration of the three divisions being consolidated (Citywide Construction, Planning and Development, and Grants Administration) to a new Assistant General Manager who will be responsible for the success of the plan. (It is anticipated that this position's salary would be covered through special and general funds.)
- Provide a minimal amount of supplemental staff in the form of an Environmental Specialist II position and a Civil Engineering Associate III position to ensure the appropriate level of support needed to carry out the plan. [The Environmental Specialist II will report to an existing Environmental Supervisor and be responsible for implementing measures that ensure the Department's compliance with environmental regulations under both the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA), as well as for conducting Phase I and II Site Investigations, historical and cultural impact surveys, and lead and asbestos assessments for the projects within the plan. The Civil Engineering Associate III will report to an existing Civil Engineer and be responsible for scheduling, tracking, and reporting on the progress of all the projects within this plan; coordinating with BOE on projects; and resolving construction related issues in the field. Staff anticipates that 100% of the salaries for both of these positions can be recovered through reimbursement from special funded projects.]
- Align the results of the Citywide Parks Needs Assessment with the projects contained in the "In-house Construction Capital Delivery Plan."

The Department expects to derive the following benefits from the "In-house Construction Capital Delivery Plan":

- Faster implementation of small to medium size park projects.
- Project savings of as much as 20-30% due to reduced design, project oversight, and General Contractor overhead and profit.

REPORT OF GENERAL MANAGER

PG. 5

NO. 08-347

- Anticipated job protection to be realized by offsetting the salaries of General Fund positions with salary reimbursement from special funded projects.
- Protecting jobs by creating special landscape/irrigation crews from existing maintenance staff who may be at risk of losing their jobs due to budget reductions. (These newly created crews can be special funded by Quimby, Prop K, Prop 40, or the Golf Surcharge.)
- Reducing maintenance of future projects within the plan as a result of a planned and informed standardization of construction methods.

The plan will help align the results of the Citywide Park Needs Assessment with funding availability and existing resources which will ultimately increase the number of projects delivered. By creating a seamless model for project delivery with minimal staffing additions, the Department anticipates completion of \$10-\$12 million in projects within the first year that will result in salary savings in the \$5-\$6 million range. If permitted to manage within our overall Department budget, this plan can be implemented and result in substantial salary savings that can be used to balance our budget and maintain equity of positions needed at all of our Department facilities across the City while minimizing the budgetary impact on services.

In conclusion, staff is recommending that the Board approve establishing the three (3) positions in substitute authority. In addition, given that the success of the plan is contingent on the new division having adequate staff resources and given that the new division will have fifteen vacancies in trade classifications that will be critical to doing the planned construction work in-house, it is recommended that the Board direct staff to take every reasonable measure necessary to ensure that positions within the new division are exempted from the Managed Hiring Process as well as hiring freezes that may arise in the future.

FISCAL IMPACT STATEMENT:

The annual salary of an Environmental Specialist II is \$100,930. The annual salary of a Civil Engineering Associate II is \$100,867. While the fiscal impact of creating these positions cannot be determined with certainty at this time, it is anticipated that the impact will be eliminated altogether once the salaries for the Environmental Specialist II position and the Civil Engineering Associate III position begin being reimbursed by the special funded projects.

The annual salary of an Assistant General Manager is \$165,391. It is anticipated that the salary of the Assistant General Manager position can be partially recovered through special funded projects. The extent of such reimbursement will depend upon the special funded projects that staff undertakes.

This report was prepared by Harold T. Fujita, Director of Human Resources.