



Administrative Report

H.5., File # 25-0507

Meeting Date: 8/19/2025

To: MAYOR AND CITY COUNCIL
From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

APPROVE PLANS AND SPECIFICATIONS FOR THE PALLET SHELTER EXPANSION 2025 PROJECT, JOB NO. 2200/2201, AND AUTHORIZE THE CITY CLERK TO ADVERTISE THE PROJECT FOR COMPETITIVE BIDS

EXECUTIVE SUMMARY

As part of the FY 2023-24 budget adoption process, the City Council approved a project to expand the City's Pallet Shelter on the condition that grant funding be identified to pay for its construction. The estimated cost of the project was \$1,568,750. On April 9, 2024, the City Council approved an agreement with Health Net to accept \$768,750 of grant funding for the project. On August 8, 2024, the City Council approved an agreement with Los Angeles County to accept an additional \$800,000 of funding for pallet shelter expansion, providing a total of \$1,568,750.

After receiving funding commitments, staff began preparation of formal plans and specifications for the Pallet Shelter Expansion 2025 Project, Job No. 2200/2201 (Project). The Plans are now ready for City Council approval and authorization of competitive bidding. The solicitation process is expected to be complete in September 2025, with an anticipated contract award to follow in four to six weeks. Construction of the Project is expected to begin in Winter 2025 and last 100 working days.

BACKGROUND

After receiving a letter of support from County personnel in late 2023 for use of \$800,000 of Supervisor Holly J. Mitchell District Two Homelessness funding (which was later codified in the grant agreement approved on August 8, 2024) and indications from Health Net officials, that the remaining \$768,750 of grant funding needed for the Project would be provided by the Insurance Company, the City Council, on December 19, 2023, approved the purchase of 25 additional pallet shelter units.

The letters of support were necessary for the City to feel confident in purchasing the shelter units from Pallet in advance of the Project and prior to them doubling in price. The new units have been delivered to the City and are being stored on the empty lot North of the City's shelter facility on Kingsdale Ave, where they will be assembled and placed after the completion of the preparatory site work needed to expand the shelter site.

On April 9, 2024, the City Council approved the agreement with Health Net to accept \$768,750 for the pallet shelter expansion Project. On August 8, 2024, the City Council approved an agreement

with the County to formally accept the \$800,000 of Supervisor Mitchell's Second District homeless services funds.

Plans and specifications for the Pallet Shelter Expansion 2025 Project, Job No. 2200/2201 are available for review in the Plans and Specifications Review Area located in the Engineering Services Division at City Hall.

The construction bid solicitation process should be complete in September 2025 with an anticipated contract award to follow. Construction of the Project is expected to begin in Winter 2025 and last 100 working days.

COORDINATION

The Project has been coordinated with staff in the City Attorney's Office and the Community Development and Public Works Departments.

FISCAL IMPACT

The Engineer's construction cost estimate for the Project is \$1,121,400, which is within the current FY 2025-26 CIP budget. The Project is entirely funded through County and Health Net Grants.

<u>Funding</u>		<u>Expenditures</u>	
Pallet Shelter Project	\$1,121,400	Construction Contract	\$ 801,000
Remaining Funding		Estimate	
		Contingency (10%)	\$ 80,100
		Inspection and CM	\$ 160,200
		Project Management	\$ 80,100
Total	\$1,121,400	Total	\$1,121,400

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Location Map - Pallet Shelter Expansion 2025 Project, Job No. 2200/2201