



Council Agenda Report

To: Mayor Grisanti and the Honorable Members of the City Council

Prepared by: Elizabeth Shavelson, Deputy City Manager

Reviewed by: Joseph Toney, Assistant City Manager

Approved by: Steve McClary, Interim City Manager

Date prepared: May 26, 2022 Meeting date: June 13, 2022

Subject: Office Trailer Rental Lease Extension for Malibu Community Labor Exchange

RECOMMENDED ACTION: Direct staff to continue to the City's rental lease with Williams Scotsman Inc. for the temporary office trailer currently used by the Malibu Community Labor Exchange in an amount not to exceed \$20,000.

FISCAL IMPACT: There is sufficient funding for this agreement in the Adopted Budget for Fiscal Year 2022-2023 in Account No. 215-7070-7800-00 (Community Development Block Grant Fund). On January 24, 2022, the Council authorized the use of \$15,000 of Community Development Block Grant (CDBG) funding for the Malibu Community Labor Exchange (MCLE) operations and temporary office trailer rental for Fiscal Year 2022-2023. At that time, Council also authorized the use of \$98,000 in CDBG funding for the purchase and installation of a permanent trailer for MCLE. In addition, the City has additional CDBG funds that can be allocated towards this project if needed. It is anticipated that there is sufficient CDBG resources available to cover the cost of the trailer rental extension and the permanent office trailer.

WORK PLAN: This item was not included in the Adopted Work Plan for Fiscal Year 2021-2022. This is part of normal City operations. The permanent trailer project is included in the Proposed Work Plan for Fiscal Year 2022-2023.

DISCUSSION: The City receives an allocation of federal Community Development Block Grant (CDBG) funds every year. The funds are administered by the Los Angeles County Development Authority (LACDA) and are intended to serve low- and moderate-income individuals. The Council had previously directed CDBG capital funds to be used

to purchase and install a permanent officer trailer for MCLE on the County property in the City's civic center area because MCLE's existing trailer was determined to be dilapidated and unable to be relocated as needed to accommodate the construction of the Santa Monica College (SMC) Malibu Satellite Campus Project at this location. Due to the construction schedule and footprint of the Malibu Satellite Campus Project, the City's Permanent Trailer Project was put on hold. Council subsequently directed that CDBG funds be allocated to cover the costs to rent a temporary office trailer for MCLE.

In winter 2018, the City solicited informal bids and entered into a two-year lease with the lowest bidder, Williams Scotsman, Inc. On March 8, 2021, the City Council extended the office trailer lease through June 30, 2022 at the original contract amount to accommodate the extended construction schedule of the college project. As the end of the current lease term nears, additional time is needed to allow for permitting and procurement of the permanent office trailer. Williams Scotsman Inc. provided the City with two options to extend the term of the lease. The City can either extend the lease for an additional 6 months at a 20% increase to the current monthly cost (approximately \$1,150) with no early termination allowed or continue on a month to month basis at a 25% increase to the current monthly rate (approximately \$1,220). Permitting and procurement is estimated to take approximately 4 months. In addition to the extended monthly rental costs, the City will need to pay for the breakdown and removal of the trailer which is estimated to be \$5,200. The exact amount will be determined when the removal is scheduled. The temporary trailer may also need to be relocated to accommodate SMC's construction schedule during this time. The cost to relocate the trailer is unknown but could be as much as \$5,000. Given early settlement costs of the 6-month lease extension, staff is recommending that the City proceed on a month to month basis in an amount not to exceed \$20,000.

For the last six months, City staff has been working with representatives from the County and SMC as they revise the location and layout of the proposed permanent trailer project intended for the northwest corner of the County property. As soon as the City receives the revised plans, staff will move forward with the permitting process.

According to a recent update from SMC representatives, the Malibu Satellite Campus Project is estimated to be substantially complete in fall 2022. CDBG funding for the permanent trailer will be available in Fiscal Year 2022-2023 beginning July 1, 2022. In order to be eligible for reimbursement from LACDA, the City cannot purchase the trailer until after July 1, 2022.

Staff has begun researching office trailers and has discovered that, due to global supply chain issues, the lead-time for new trailers can take up to one year. Staff is looking into purchasing a refurbished trailer which are more easily available and significantly less expensive.

At this time, staff recommends that the Council authorize the Mayor to amend the lease agreement with Williams Scotsman, Inc. until December 27, 2022 to allow time for the permitting and procurement of the permanent trailer. Putting the temporary office trailer project out to bid at this time would likely result in an increase cost to the City as there are costs associated with the trailer delivery, installation and removal. In addition, replacing the trailer would likely disrupt the operations of MCLE.

Staff will continue to coordinate with SMC regarding the schedule of the Malibu Satellite Campus Project construction, the permanent trailer project and bring updates to City Council as needed. In addition, the City's Trailer Use Agreement with MCLE is set to expire June 30, 2022 and will need to be extended to cover the time period the trailer is in use.

ATTACHMENT: None.