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DEPARTMENT OF
GENERAL SERVICES
OFFICE OF THE DIRECTOR

CITY OF SACRAMENTO
CALIFORNIA

5730 - 24TH STREET
BUILDING FOUR
SACRAMENTO, CA
95822-3699

916-449-5548

DIVISIONS:

COMMUNICATIONS
FACILITY MANAGEMENT
FLEET MANAGEMENT
PROCUREMENT SERVICES

November 29, 1989

Budget and Finance Committee and
Transportation and Community
Development Committees

Honorable Members in Session

SUBJECT: REQUEST FOR ADDITIONAL CAPITAL PROJECT
MANAGEMENT STAFFING

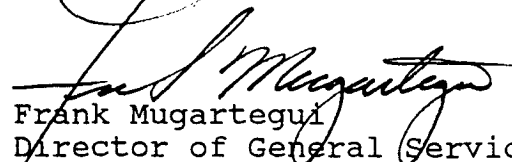
SUMMARY

The attached report is being submitted to the Joint Committee for review and consideration. It is scheduled to be presented to the City Council on December 12, 1989.

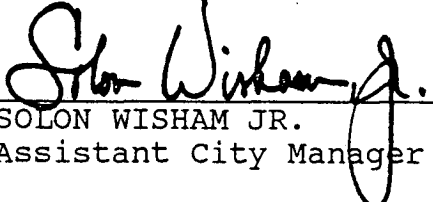
RECOMMENDATION

It is requested that the Joint Committee recommend approval of the attached report to the City Council.

Respectfully submitted,


Frank Mugartegui
Director of General Services

RECOMMENDATION APPROVED:


SOLON WISHAM JR.
Assistant City Manager

ADM8.190

December 5, 1989
District #1



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City Council
Sacramento, California

**SUBJECT: REQUEST FOR ADDITIONAL CAPITAL PROJECT
MANAGEMENT STAFFING**

SUMMARY

This report requests amending the 1989-90 Operating Budget by adding six positions to assist in managing the current workload of capital projects. The costs for these positions will be recovered from capital projects currently budgeted in the 1989-90 CIP Budget.

COMMITTEE PRESENTATION

This report was heard by the Joint Budget and Finance/Transportation and Community Development Committees on December 5, 1989, and comes to the City Council with the Committees' recommended approval.

BACKGROUND

Staff has reviewed the present workload of the Facility Development Section of the Facility Management Division based on the approved 1989-90 Capital Improvement Budget. Currently, Facility Development is responsible for managing 35 active building projects, 20 interior planning projects, and has a growing backlog of 48 funded and partially funded facility projects totaling approximately \$129 million (See Exhibits I & II). A number of these projects are either behind schedule or have yet to be started.

Based upon this workload it is clear that the current staff level of the Facility Development section is not able to maintain the schedules of many of the currently assigned capital projects. Additionally, they are not able to initiate new projects within the time frames requested by the client departments.

Currently the following major projects have fallen behind schedule:

	<u>Behind Schedule</u>
o Civic Center Plaza Parking Garage	6.5 months
o Community Center Expansion	15.0 months
o Memorial Auditorium	5.0 months

In a report to Council in April 1987, staff explored various approaches of managing the CIP projects and concluded the most effective project management program would be a combination of in-house staff for project management, the utilization of outside consultants for professional design services and contractors for construction.

Currently, the Facility Development Section consists of: 1) three capital project management teams, which includes an Associate Architect, and Assistant Architect, and an Architectural Technician; 2) Special projects units for Deferred Maintenance, Small Projects/Space Planning and the Project Document Library; 3) Engineering and Inspection; and 4) Administration and support. (See Table of Organization Exhibit IV.)

WORKLOAD ANALYSIS

The Project Management Team concept has worked well since its implementation; however, with the size, scope and complexity of projects currently scheduled, additional project management, construction management, and engineering and support staff are required to maintain the current level of project quality, ensure project coordination, monitor project cash flows, maintain project schedules, and adequately meet the demands for our services.

To address the current situation, staff examined the project management team approach and concluded that productivity could be increased by modifying our current process: adding Construction Managers to the Engineering/Inspection Sub-Section, who will assume the Project Management Teams' Construction Phase and Post Construction Phase responsibilities for Teams #1 and #2, thereby allowing the teams to undertake the Pre-design and Design Phase on funded projects in a more timely manner. (Refer to Exhibit III.)

Also, where one team currently has responsibility for both the Convention Center Expansion and the Memorial Auditorium projects, these will be divided into two teams with the addition of the requested staff. These two projects represent approximately \$59 million in projected construction costs, or one-half of the total value for all current projects. It is not possible for a single team to simultaneously manage two projects of this magnitude. Attempting to do so will only result in project delays and errors. Additionally, the complexity of these two major projects demands the addition of a Senior Architect to act as lead person for coordinating the development of both projects.

The Director of Finance has also requested an additional Senior Management Analyst position be included with this request for the Budget Office. In the past fiscal year a Senior Management Analyst position has been assigned from the Budget Office to assist in project coordination and fiscal oversight on several capital projects (e.g. Community Center Expansion, Memorial Auditorium Renovation, Sequoia Pacific Warehouse, Plaza Building). This position is uniquely effective in coordinating the needs of several departments involved in large multi-department capital projects, in acting as liaison between the City's policy managers and the project manager, and in maintaining fiscal accountability. The financial skills necessary for multi-million dollar capital projects are usually beyond the scope of a Project Manager.

Staff will continue to review workload and resources of the Facility Development section relative to the requirements of the Capital Improvement Program.

CONCLUSION

In order for the Facility Development Section to mitigate the current rate of project schedule slippage and meet the demands of the current capital improvement program, the following additional resources are required for fiscal year 1989-90:

Staffing:

1.0 Senior Architect		
1.0 Associate Architect		
1.0 Architect. Technician		
2.0 Construction Managers		
1.0 Senior Management Analyst		
(all positions funded for 1/2 year)		\$183,516

Continuing Costs:

Vehicle Rental (3 units)	\$3600	
Miscellaneous Expenditures	<u>1200</u>	4,800

One Time Costs:

Furniture	10,000	
Equipment (Computers, etc.)	29,790	
3 new vehicles	30,000	
Space Modifications	<u>25,000</u>	<u>94,790</u>

Total Estimated 1989-90 Costs		\$283,106 =====
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Estimated 1990-91 Costs (Full Year)		\$375,431
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It should be noted that the Senior Architect along with the teams assigned to the Convention Center Expansion and Memorial Auditorium Projects will be located in the Panatoni Building. These teams will then be in close proximity to both the project sites and the project client, the Community Center's management staff. This will be extremely important for the success of these projects. Any additional costs associated with locating the Project Staff at the Panatoni Building (i.e., rent, telephones, etc.) would be charged directly to those capital projects. The \$25,000 for space modifications will be required for remodeling, including telephones and work stations, in Building One at the 24th Street Corporate Center South to accommodate the two Construction Managers.

The advantages of providing the requested increase are as follows:

- o Consistent project management by expanding a proven project management system.
- o Consistent project quality control.
- o Faster project development due to adding Construction Managers to assume construction and post construction project management.
- o Better coordination and more detailed financial oversight for large capital projects.

With the long list of current and projected capital projects, the need for these new positions will continue for at least the next several fiscal years.

FINANCIAL IMPACT

Following a thorough review of all currently approved capital projects, project balances and remaining requirements, the Budget Office has determined that the requested staff and support costs can be offset by the CIP without any net effect on either the General Fund or the 1989-90 Operating Budget.

Further, these costs will not impact the scope of any approved capital project. The available funds are currently appropriated for staff project management within each project. The net effect on the projects will be positive to the extent that continued delays will increase construction costs necessitating either additional appropriations or cuts within the projects.

POLICY CONSIDERATIONS

There are significant policy issues associated with this requested augmentation:

- o Approval of this requested augmentation will enable the Facility Development Section to mitigate further erosion of its current project schedules.

- o Denial of the requested augmentation (i.e., remaining status quo) will cause further erosion of the project schedules, the adherence to set priorities, and increased project costs from inflationary increase as a result of delaying the projects.

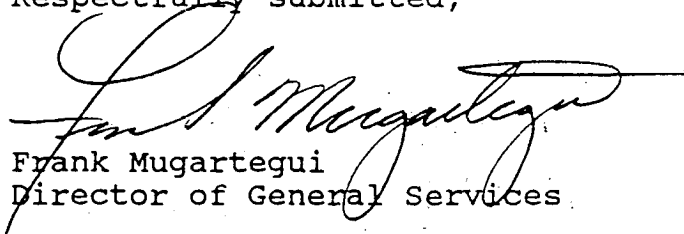
M/WBE EFFORTS

City's standard M/WBE efforts will be followed where applicable.

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution authorizing and directing that the 1989-90 Operating Budget be amended by adding six positions, and that the costs of these positions will be recovered from approved 1989-90 Capital Improvements Budget projects.

Respectfully submitted,



Frank Mugartegui
Director of General Services

RECOMMENDATION APPROVED:

Walter J. Slipe
City Manager

Contact Person to answer questions:
Duane Wray 449-5445 or Gary Szydelko 449-5977

December 12, 1989
District #1

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION AMENDING THE FY 1989-90 OPERATING BUDGET FOR THE ADDITION OF SIX (6) POSITIONS TO ASSIST IN THE MANAGEMENT OF CAPITAL

WHEREAS, certain projects have been approved and funds appropriated in the 1989-90 Capital Improvement Project; and

WHEREAS, the current resources of the Facility Development section of the Department of General Services cannot meet the schedule and requirements of the 1989-90 CIP; and

WHEREAS, delays in the completion or initiation of capital projects is costly and impairs the delivery of services; and

WHEREAS, the costs for the additional resources required to meet the current CIP workload can be recovered from those same projects;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. That the 1989-90 Operating Budget is hereby amended by adding the following positions:

- 1.0 Senior Architect
- 1.0 Associate Architect
- 1.0 Architect Technician
- 2.0 Construction Manager
- 1.0 Senior Management Analyst

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

2. That the 1989-90 Operating Budget is hereby amended by the following augmentations and offsets:

Costs:

101-190-1938-41XX	Employee Services	\$150,783
101-190-1938-4234	Fleet Rental	3,600
101-190-1938-4499	Misc. Expenses	1,200
101-190-1938-4630	Equipment	34,790
101-190-1938-4632	Vehicles	30,000
101-190-1938-4820	Building & Improvements	25,000
101-110-1140-41XX	Employee Services	32,733
101-110-1140-4630	Equipment	5,000

	Subtotal	\$283,106

Offsets:

101-190-1938-4710	CIP Labor Offset	\$ 90,470
101-190-1938-3643	CIP Indirect Costs	154,903
101-110-1140-4710	CIP Labor Offset	19,640
101-110-1140-4711	CIP Indirect Costs	18,093

	Subtotal	\$283,106

MAYOR

ATTEST:

City Clerk

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Exhibit I

Facility Development Project Status

Funded CIP's

Predesign Phase

Project No.	Titled	Category	Project Manager	Construction Estimate
BA31	Civic Center Programming	2-Normal	Kirk Thompson & Gary Szydelko	\$0
EB36	Asbestos Removal-Hall of Justice	2-Normal	Mike George	\$7,500
BA51	Belle Coolidge Branch Library	2-Normal	Michael Sweeney	\$2,073,500
GA06	Animal Control Facility	2-Normal	Michael Sweeney	\$1,643,950
PA11	Convention Ctr. Exhibit Hall Expansion	2-Normal	Dave Morgan	\$36,875,305
VB16	Lot C Booth Replacement	2-Normal	Ed Billing	\$0
6			Total:	\$40,600,255

Design Phase

Project No.	Titled	Category	Project Manager	Construction Estimate
3677	Old Sacramento Riverfront Phase III	2-Normal	Dana Gard	\$398,000
VA66	Civic Center Plaza Parking Garage	2-Normal	Dana Gard	\$15,542,602
PA46	Memorial Auditorium / Theater	2-Normal	Dave Morgan	\$24,000,000
KA62	Senior Citizen Center Expansion	2-Normal	Yadi Kavakebi	\$564,000
KA71	Sim Community Center Expansion	2-Normal	Yadi Kavakebi	\$711,430
CA11	Building #9 Remodel	2-Normal	Ed Billing	\$115,205
CB41	Building #9 & #14 Locker/Shower	2-Normal	Ed Billing	\$154,512
2106	Replace HVAC Fire Station 16	2-Normal	Lee Coleman	\$30,000
VC06	Fire Protection Repairs for Parking Lots	2-Normal	Lee Coleman	\$122,000
1957A	Parking Garage Structural Repairs, Phase 1	2-Normal	Tom Hale	\$1,000,000
2038	Sacramento Marina Access Ramp Repair	2-Normal	Tom Hale	\$80,000
VB56	Lots K & E Expansion Joints	2-Normal	Tom Hale	\$24,500
VC46	Lot A & B Structural Investigation	2-Normal	Tom Hale	\$0
BA81	Demolition of Vacated Personnel Building	2-Normal	Glenn Mah	\$38,000
NA41	Zoo Gift Shop	2-Normal	Glenn Mah	\$547,500
NA61	Fairytale Town Theater Remodel	2-Normal	Glenn Mah	\$40,000
VB36	Parking Lot Revenue Control Equipment	2-Normal	Glenn Mah	\$486,000
17			Total:	\$43,853,749

Construction Phase

Project No.	Titled	Category	Project Manager	Construction Estimate
BA61	Communication Center Expansion	1-Priority	Kirk Thompson	\$83,419
NA31	Rare Feline Breeding Center	1-Priority	Kirk Thompson	\$795,000
8386	Central Library Expansion	1-Priority	Mike George	\$20,220,914
MA28	Crocker Grounds Renovation: Hardscape	1-Priority	Michael Sweeney	\$354,991
BA72	Sequoia Pacific Museum & History Warehouse	1-Priority	Yadi Kavakebi	\$1,296,616
BA73	Sequoia Pacific Warehouse Police I.D.	1-Priority	Yadi Kavakebi	\$220,000
OA56	Bing Maloney Restroom Restoration	1-Priority	Ed Billing	\$49,000
FA41	Fire Station #7,10,13 &16 2nd Restroom	1-Priority	Glenn Mah	\$153,300
IA21	Harbormaster Facility	2-Normal	Glenn Mah	\$0
9			Total:	\$23,173,240

Postconstruction Phase

Project No.	Titled	Category	Project Manager	Construction Estimate
OA36	Bing Maloney Maintenance Shed	1-Priority	Jeff Blanton	\$74,000
BA41	Police Substation Furnishings	1-Priority	Mike George & Darlene Mathis	\$182,000
BA41	Joseph E. Rooney Police Facility	1-Priority	Mike George & Jeff Blanton	\$2,958,736
CB11	Old Sacramento State Historic Park	1-Priority	Dana Gard	\$1,155,385
MA26	Crocker Additional Requests	1-Priority	Michael Sweeney	\$592,600
BA73	Sequoia Pacific Police Property Warehouse	1-Priority	Yadi Kavakebi	\$1,551,723
FA31	Fire Utility Shop Relocation	1-Priority	Ed Billing	\$26,000
2104	Environmental Controls, Crocker Art Gallery	2-Normal	Lee Coleman	\$20,000
BA81	Plaza Building-Staff Relocation	2-Normal	Bob Williamson	\$300,000
9			Total:	\$6,860,444

35

Grand Total: \$114,487,688

Exhibit II

Facility Development Project Status

Funded CIP's

Future Projects

Future / On-hold Priority	Project No.	Titled	Category	Managing Group	Construction Estimate
...	FA06	Fire Station #20 Rear Door Access	3-On-Hold	A	\$159,430
...	VA91	Lot K Booth Replacement	4-Future	A	\$0
3	ZD01	Reroof Intake Fairbairn Water Treatment Plant	4-Future	A	\$0
4	VB61	Lot K Booth Ventilation	3-On-Hold	A	\$20,000
5	LE71	Restroom Land Park/Boat Lake Remodel	4-Future	A	\$20,000
2	SE41	Off Street Signal Master Room	4-Future	B	\$70,000
3	OA76	William Land Golf Course Club House Remodel	4-Future	B	\$42,000
...	6575	City Hall Rear Fire Escape Enclosures	3-On-Hold	CIP Team	\$5,712
...	BA36	Corporate Service Center Masterplan	3-On-Hold	CIP Team	\$0
2	CB46	City Hall Fire Rated Corridors	4-Future	CIP Team	\$30,386
3	FA16	Fire Station #5 Structural Repairs	3-On-Hold	CIP Team	\$455,000
5	XC96	Modular Building Flood Control & Sewer	4-Future	CIP Team	\$158,400
6	BA46	24th Street Corp Center South Trash Bins	4-Future	CIP Team	\$17,000
6	CB56	24th Street Corp Center South Expan.	4-Future	CIP Team	\$1,625,538
7	ZC21	Buildings 7 & 8 @ Corp Yard	4-Future	CIP Team	\$168,000
8	ZD11	Maintenance Shop Design SRWTP	4-Future	CIP Team	\$2,035,000
9	NA36	Zoo Interpretive Center	4-Future	CIP Team	\$184,500
10	CZ02	Clunie Community Center Renovation	4-Future	CIP Team	\$1,363,000
11	OA71	Haggin Oaks Maintenance Shed	4-Future	CIP Team	\$54,000
12	LE56	McClatchy Park Performance Stage	4-Future	CIP Team	\$61,000
13	KA91	Johnston Park Building Remodel	4-Future	CIP Team	\$277,049
14	CB21	Meadow View Community Center	4-Future	CIP Team	\$1,638,721
15	CA61	Old Sacto Service Courts (IPA-SHRA)	4-Future	CIP Team	\$356,000
16	NA81	Fairyale Town-Goat Yard	4-Future	CIP Team	\$14,000
17	NA56	Snapping Turtle Exhibit	4-Future	CIP Team	\$88,000
18	NA76	Fairyale Town-Japanese Garden & Koi Pond	4-Future	CIP Team	\$9,000
19	ZB06	Flood Control / Sewer Building	4-Future	CIP Team	\$0
20	LC66	Bannon Barn Rehabilitation	4-Future	CIP Team	\$394,028
...	...	FC & S Machine Shop	4-Future	CIP Team	\$1,214,400
...	...	Lab at Fairbairn WTP	4-Future	CIP Team	\$1,460,800
...	...	Administration Building @ 35th Avenue	4-Future	CIP Team	\$1,320,000
...	6651	Convention Center Expan. Joint Eval.	4-Future	Engineering	\$0
...	1509	Storage Building @ Cemetery- Structural Survey	4-Future	Engineering	\$0
...	2271	Crocker Fire Protection System Study	4-Future	Engineering	\$0
...	2272	History Center Fire Protection System Study	4-Future	Engineering	\$0
...	6589	Jib Crane Installation Study	4-Future	Engineering	\$0
...	6591	Fire Station #8, Ramp	4-Future	Engineering	\$0
...	CB36	Fire Protection System Phase 1, City Hall	4-Future	Engineering	\$102,150
...	DA76	HVAC System, Fire Station #3	3-On-Hold	Engineering	\$7,700
...	6575	Replace Heater, Bldg. 16 Paint booth	3-On-Hold	Engineering	\$8,000
...	6591A	Engine #6 Asphalt Repair	4-Future	Engineering	\$15,400
...	6591B	Engine #16 Parking Lot Repairs	4-Future	Engineering	\$0
1	FB16	Fire Station Asphalt Repair	4-Future	Engineering	\$15,300
2	VC66	Garage Enhancement	4-Future	Engineering	\$191,000
3	DA81	Replacement Exhaust Hoses/Reels	4-Future	Engineering	\$27,500
5	MA26	Crocker Alternate #8/ HVAC Wall	3-On-Hold	Engineering	\$42,000
7	MA01	Herold Wing Climate Control	4-Future	Engineering	\$327,206
8	1957B	Parking Garage Structural Repairs (6 lots), Phase 2	4-Future	Engineering	\$700,000
48				Total:	\$14,577,220

Exhibit III

Facility Development Section

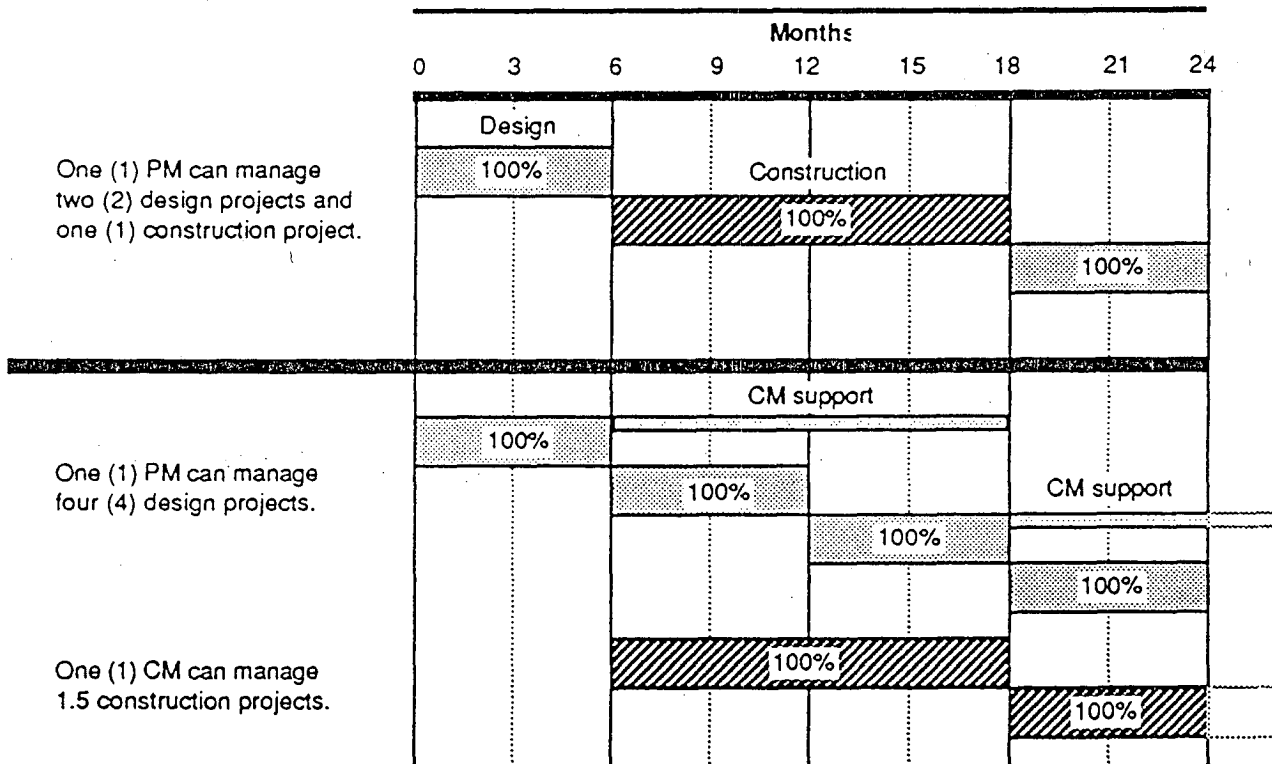
Project Manager Increased Productivity

Based upon the existing project schedules as listed in the *November Monthly Status Report*, the anticipated new project start times is as follows:

PROJECT MANAGER	STATUS QUO AVAILABILITY	PROPOSED AVAILABILITY	MONTHS SAVED
Mike George	9/90	9/90	0
Kirk Thompson	9/90	2/90	7
Michael Sweeney	9/91	10/90	9
Yadi Kavakebi	3/91	4/90	11
Dana Gard	3/92	6/90	18
Dave Morgan	11/92	3/91	20

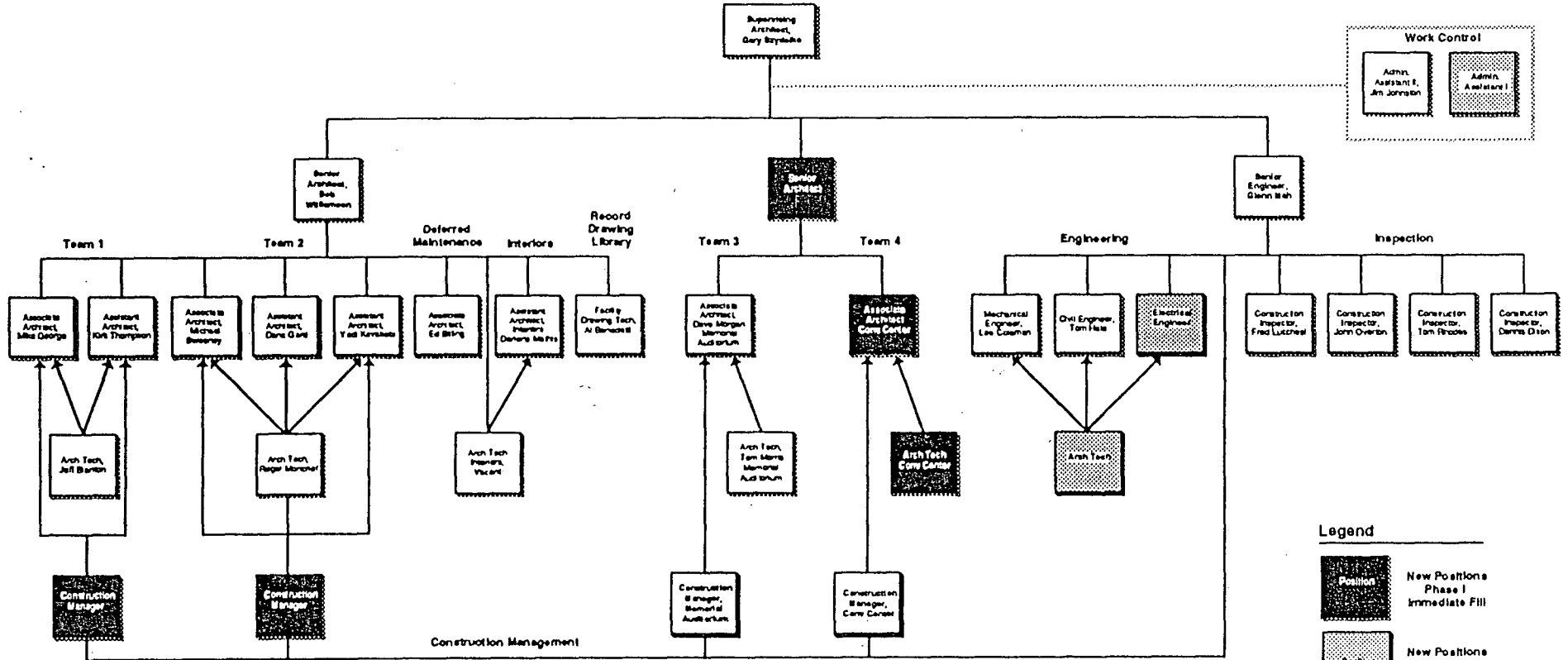
Project Managers will be able to start new projects from the approved FRC Priority List (Exhibit III) sooner, due to the improved balance of work between the Project Manager and the Construction Manager as illustrated below:

Increased Productivity Graph






Facility Management Division
Facility Development Section

October 12, 1989



Legend

-  Position New Positions Phase I Immediate Fill
-  Position New Positions Phase II Fill
-  Position New Positions Phase III Fill

Priority	# of Positions	Comments
1	5	Immediate Needs - Senior Architect, Associate Architect, Arch Tech & Two (2) Construction Managers
2	3	Short Term Needs - Electrical Engineer, Arch Tech & Admin. Assistant I
3	2	Overall Support Needs - Two (2) Construction Managers
10		