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DEPARTMENT OF  
PUBLIC WORKS

CITY OF SACRAMENTO  
CALIFORNIA

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TECHNICAL SERVICES  
DIVISION

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June 7, 2000

City Council  
Sacramento, California

**SUBJECT: APPROVAL OF SUPPLEMENTAL AGREEMENT #1 IN THE AMOUNT OF \$102,320 FOR PARKING GARAGE C (PN:VD71)**

**LOCATION AND COUNCIL DISTRICT:**

805 14th Street, Sacramento, Council District 1

**RECOMMENDATION:**

This report recommends City Council:

- Approve Supplemental Agreement #1 in the amount of \$102,320 with Gordon H. Chong & Partners and reset the City Manager's signature authority for this project.
- Ratify City Manager's signature authority for this project.
- Approve related financial transactions.

**CONTACT PERSON:** Kirk Thompson, Project Manager, 264-8431

**FOR COUNCIL MEETING OF:** June 20, 2000

**SUMMARY:**

Gordon H. Chong & Partners' design contract was approved in December 1999. The height, location and appearance of the building was resolved by City Council on May 9, 2000. This supplemental agreement finalizes the scope of work for the completion of the construction documents and construction administration. This supplemental agreement locks in the consultant services fee at 6.17%, consistent with industry levels for this work.

Department of  
**PUBLICWORKS**  
CITY OF  
SACRAMENTO

City Council  
Approve Supplemental Agreement #1 For Parking Garage C (VD71)  
June 7, 2000

**COMMITTEE/COMMISSION ACTION:**

None.

**BACKGROUND INFORMATION:**

The City Council took the following actions:

- On December 14, 1999, City Council awarded the design services contract to Gordon H. Chong & Partners for Parking Garage C construction (PN:VD71) in the amount of \$807,120.
- This supplemental agreement adds to the original project scope and provides for services through project completion.

**FINANCIAL CONSIDERATIONS:**

The project is dependent on the successful sale of bonds. The bond issuance process began with EIR Certification and will conclude no later than August 31 and perhaps much earlier. Total liability of the City to August 31 will be limited to \$909,440 on the design services contract under consideration and to \$2,283,663 for the entire project. This larger amount represents all expenditures and contract liabilities to that date.

The estimated project budget is \$19,200,000 including a \$500,000 revenue control system and \$100,000 in additional mitigation measures approved by Council on May 9 in Resolution No. 2000-227. Additional budget authorization may result from a Report Back scheduled for June 20. The project will ultimately be funded by bonds issued for the total project cost and paid by Parking revenue, with expenditures incurred prior to the bond sale reimbursed to the fund.

To fund expenditures and liabilities up to the time of the bond sale, \$102,320 in appropriations must be added to the existing project budget of \$2,290,000 for a total appropriation of \$2,392,320 as provided for in the attached resolution.

Staff is advised by consultants studying revenue requirements for bonding Garage C that average, overall increases in Parking Enterprise revenues of 5½% annually would be needed for the next five years to make it possible for the Parking Fund to pay for development of Garage C. Parking fee projections indicate that increases averaging 5½% can be achieved. Because some parking fees are limited by market conditions or long term contracts and because hourly fees are increased in increments of twenty-five cents, parking fee increases would be larger than 5½% in some years and less in others to achieve the desired average. Also, rate adjustments in some garages may increase much more than 5½%.

**ENVIRONMENTAL CONSIDERATIONS:**

In compliance with the California Environmental Quality Act (CEQA), the Planning Services Division, Environmental Section, prepared an Environmental Impact Report (EIR) for the

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project. On May 9, 2000, City Council certified the Environmental Impact Report. No additional environmental document is necessary.

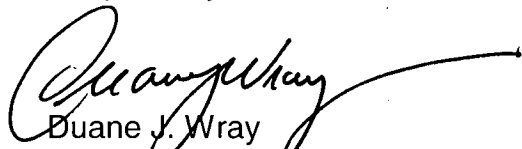
**POLICY CONSIDERATIONS:**

Approval of the Supplemental Agreement for the Parking Garage C is consistent with Sacramento City Code, Title 58.

**ESBD CONSIDERATIONS:**


Gordon H. Chong & Partners has acquired 14.09% ESBD participation on this project. Staff has involved the Office of Small Business Development to encourage ESBE participation.

Respectfully submitted,



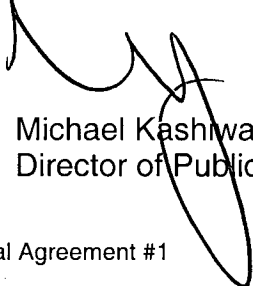
Duane J. Wray  
Technical Services Manager

RECOMMENDATION APPROVED:



ROBERT P. THOMAS  
City Manager

APPROVED:



Michael Kashwagi  
Director of Public Works

P/Active/VD71 Parking Lot C 5884/Council/Lot C Supplemental Agreement #1

**RESOLUTION NO. 2000-347**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_



**RESOLUTION AUTHORIZING THE APPROVAL OF SUPPLEMENTAL AGREEMENT #1 IN THE AMOUNT OF \$102,320 WITH GORDON H. CHONG & PARTNERS AND RESET THE CITY MANAGER'S SIGNATURE AUTHORITY FOR CONSTRUCTION OF PARKING LOT C (PN:VD71)**

1. The City Manager is hereby authorized to approve Supplemental Agreement #1 in the amount of \$102,320 with Gordon H. Chong & Partners.
2. The City Manager is hereby authorized to Adjust appropriations of the project as follows:

<u>Increase:</u>		
412-500-VD71-4820	Garage "C"	\$102,320
<u>Decrease:</u>		
412-710-7012-4999	Contingency	\$102,320

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

**RESOLUTION NO. 2000-003**

ADOPTED BY THE SACRAMENTO CITY FINANCING AUTHORITY

ON DATE OF \_\_\_\_\_



**RESOLUTION OF OFFICIAL INTENT OF THE SACRAMENTO CITY FINANCING AUTHORITY TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS**

**WHEREAS**, the Sacramento Financing Authority (the "Authority") intends purchase a replacement of the Revenue Control System in the Off-Street Parking Operation of the City of Sacramento (the "Project");

**WHEREAS**, the Authority expects to pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project prior to insurance of indebtedness for the purpose of financing costs associated with the Project on a long term basis;

**WHEREAS**, the Authority reasonably expects that debt obligations in an amount not expected to exceed \$75,000,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

**WHEREAS**, Section 1.150-2 of the Treasury Regulations requires the Authority to declare it's reasonable official intent to reimburse prior expenditures for the project with proceeds of subsequent borrowing;

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SACRAMENTO CITY FINANCING AUTHORITY DECLARES AS FOLLOWS:**

Section 1. The Authority finds and determines that the foregoing recitals are true and correct.

Section 2. This resolution is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This resolution does not bind the Authority to make any expenditure, incur any indebtedness or proceed with the Project.

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RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

Section 3. The Authority hereby declares its official intent to use proceeds in indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 1999.

\_\_\_\_\_  
Chairman

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**FOR CITY CLERK USE ONLY**

RESOLUTION NO. \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_