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DEPARTMENT OF
FINANCE

REVENUE DIVISION

CITY OF SACRAMENTO
CALIFORNIA

December 23, 1987
RD:871460-ADM:MLM:ldm

CITY HALL
ROOM 104
915 I STREET
SACRAMENTO, CA
95814-2696

916-449-5454

Budget & Finance Committee
Sacramento, California

Honorable Members in Session:

Subject: FEE AND CHARGE COST ANALYSIS

SUMMARY

The attached report to City Council recommends that the City Council adopt the attached resolution which authorizes an augmentation of \$20,500 for an expanded scope of the Fee and Charge Cost Analysis (FCCA) project.

DISCUSSION

The attached report discusses the need to expand the original scope of the Fee and Charge Cost Analysis (FCCA) project.

FINANCIAL ANALYSIS

The \$20,500 is available from current operating appropriations to the Department of Planning & Development and the Department of Public Works. No additional appropriations are necessary to fund the expanded scope of the FCCA.

RECOMMENDATION

It is requested that the Budget & Finance Committee recommend the City Council adopt the attached resolution which authorizes an augmentation of \$20,500 for an expanded scope of the FCCA project.

Respectfully submitted,

Michael L. Medema
Revenue Manager

RECOMMENDATION APPROVED:

JACK R. CRIST
Deputy City Manager

Attachment

January 5, 1988
All Districts



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REVENUE DIVISION

CITY OF SACRAMENTO
CALIFORNIA

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ROOM 104
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December 23, 1987
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916-449-5454

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: FEE AND CHARGE COST ANALYSIS

SUMMARY

This report recommends that the City Council adopt the attached resolution which authorizes an augmentation of \$20,500 for an expanded scope of the Fee and Charge Cost Analysis (FCCA) project.

BACKGROUND

On September 23, 1987 the City Council authorized the execution of a professional services agreement with Arthur Young & Company in the amount of \$79,750 to conduct the FCCA project.

DISCUSSION

Arthur Young & Company is currently conducting the FCCA as specified by the terms of the agreement. As a result of Arthur Young & Company's discussions with City staff regarding fees imposed on the building industry, staff has determined that expansion of the original scope of the FCCA to include a detailed analysis of alternative building industry fee structures will facilitate obtaining the building industry's support for the City's fee structure.

Arthur Young & Company has proposed a fee of \$20,500 to conduct the expanded scope of the FCCA which will include a detailed analysis of alternative building industry fee structures. If the City accepts Arthur Young & Company's proposal, the total cost of the FCCA will be \$100,250. Other consultants who submitted proposals to conduct the FCCA, as it was originally defined, proposed fees of approximately \$140,000. Staff has not requested proposals from other consultants to conduct the expanded scope of the FCCA. The professional services necessary to conduct the original FCCA and the expanded scope are interrelated. An attempt to separate the professional services would significantly increase the cost and result in a major delay in completion of the FCCA project.

Arthur Young & Company anticipates submitting the FCCA, including the expanded scope, to the City as follows:

<u>FCCA Component</u>	<u>Submittal Date</u>
General Government	February 1988
Parks & Community Services	January 1988
Planning & Development	February 1988
Public Works	February 1988

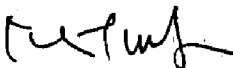
FINANCIAL DATA

The additional \$20,500 was not included in the FCCA project budget approved by the City Council. However, the Department of Planning & Development and the Department of Public Works have \$11,500 and \$9,000, respectively, in current operating appropriations to fund the additional work.

RECOMMENDATION

The Budget and Finance Committee recommends that the City Council adopt the attached resolution which authorizes an augmentation of \$20,500 for an expanded scope of the Fee and Charge Cost Analysis (FCCA) project.

Respectfully submitted,


Michael L. Medema
Revenue Manager

RECOMMENDATION APPROVED:

WALTER J. SLIPE, City Manager

Attachment

January 12, 1988
All Districts

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION AUTHORIZING AN AUGMENTATION OF \$20,500 FOR
AN EXPANDED SCOPE OF THE FEE AND CHARGE COST ANALYSIS
(FCCA) PROJECT

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That the City Manager is authorized to execute the attached amendment to City Agreement No. 87076 with Arthur Young & Company to conduct a Fee and Charge Cost Analysis (FCCA).

MAYOR

ATTEST:

CITY CLERK