

RESOLUTION NO. 83-001  
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD  
OF THE  
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM

January 17, 1983

WHEREAS, W. Jim Smith presented to the Board his January, 1983, real estate advisor's report; and

WHEREAS, in his presentation he stated that the seller of the 1414 K Street building has received further bids on the cost of elevator installation; and

WHEREAS, U. S. Elevator was the second lowest bidder at a price of \$57,000 above the low bidder; and

WHEREAS, the seller has declined to absorb that additional cost, and desires that Sacramento City Employees' Retirement System pay it by way of addition to the purchase price; and

WHEREAS, W. Jim Smith recommends that the System absorb the cost because it results in an insignificant lowering of the projected internal rate of return on the project; and

WHEREAS, the System's counsel has recommended that the elevator installation agreement be subject to counsel's approval; and

WHEREAS, W. Jim Smith also indicated that the seller desired an early funding date of March 1, 1983, with the understanding that 110 percent of the elevator contract price will be held in escrow pending final completion of the elevator system and acceptance thereof by the System and the seller, and expiration of the lien period; and

WHEREAS, W. Jim Smith has recommended the requested early funding subject to the stated conditions and subject further to the provision by seller of an ALTA lien-free endorsement policy of title insurance, and subject further to performance and completion bonding of the elevator installation contractor;

NOW, THEREFORE, BE IT RESOLVED that:

1. The previously authorized purchase price for the 1414 K Street building shall be increased by the sum of \$57,000 for the increased cost installation of the elevator system by the second highest bidder, U. S. Elevator.
2. The agreement between seller and U. S. Elevator shall be subject to approval by the System's counsel prior to execution thereby by seller.

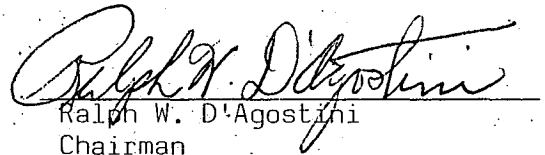
3. Funding of the purchase and close of escrow shall be no sooner than March 1, 1983.

4. Close of escrow shall be subject to retention in escrow of an amount equal to 110 percent of the full amount of the contract price for installation of the elevator system by U. S. Elevator.

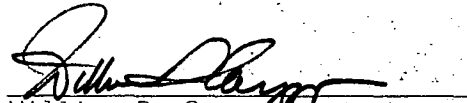
5. Said amount shall be retained in escrow pending final completion of the elevator system and acceptance thereof by the System and the seller, and expiration of the mechanic's lien period.

6. Seller shall provide to buyer an ALTA lien free endorsement policy of title insurance.

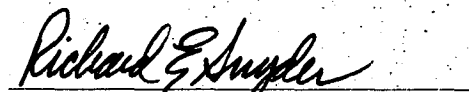
7. U. S. Elevator shall provide to seller performance and completion bonds satisfactory to the System's counsel.

  
Ralph W. D'Agostini  
Chairman

APPROVED AS TO FORM:

  
William P. Carnado  
Deputy City Attorney

ATTEST:

  
Richard E. Snyder  
Secretary to the Board