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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

March 4, 1988

Budget and Finance Committee
Sacramento, California

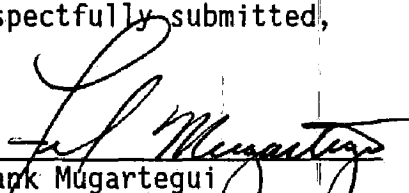
Honorable Members in Session:

SUBJECT: TRANSFER OF FUNDS TO CIP PROJECT GG CA 26
ADDITIONAL OFFICE SPACE, BUILDING # 3

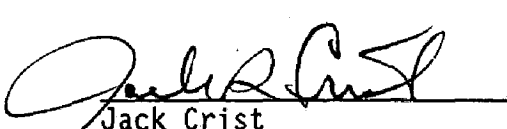
The attached report is being submitted to the Committee for review and consideration.

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

Respectfully submitted,


Frank Mugartegui
Director of General Services

RECOMMENDATION APPROVED:


Jack Crist
Deputy City Manager

Attachments

FM:88039:RM/vh



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DIVISIONS:

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City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: TRANSFER OF FUNDS TO CIP PROJECT GG CA 26
ADDITIONAL OFFICE SPACE, BUILDING # 3**

SUMMARY:

Fleet Management is requesting a sum of \$58,000 to be transferred from the Fleet Management Contingency Reserve to the Capital Improvement Project (GG CA26) to accommodate the balance needed for the expansion/remodeling of its administrative offices, Building # 3, at the City of Sacramento Corporation Yard.

BACKGROUND:

In FY 1986/87, Fleet Management established a CIP project for the remodeling of its administrative offices, Building # 3, at the City Corporation Yard. This remodeling was necessary to better serve the existing personnel in the space available. The project initially provided for the removal of some interior walls and the partitioning of the office into work stations.

In FY 1987/88, Fleet Management increased the number of its personnel due to the expanded programs and responsibilities assigned to the Division. At this time, it was determined that the original office remodeling project was inadequate, and additional funds were budgeted to provide for a small expansion to the existing building. In the process of developing this revision, however, Fleet Management realized that only the immediate space needs of the Division were being met, with no thought for future or long term planning. Since an expansion to the building was required to attain the minimum office space needed for additional staff, Fleet Management thought it appropriate and cost effective to request from Facility Management a plan for a larger addition capable of accommodating present and future space needs. This revision was accomplished with a minimum of changes to the construction plans.

In the process of finalizing the plans for the project, bids from local vendors for the construction were solicited. The bid from McClusky Construction Company has been recommended by Facility Management as being in line with industry standards. Further analysis of the project by staff uncovered

March 4, 1988

additional costs which were a direct result of the expansion of the building. These costs were not anticipated in the original estimate but must be provided for before the project can be started. Increased square footage now requires additional heating and air conditioning capabilities; funds for Art in Public Places must be budgeted; and additional funds are needed for construction, contingencies, and City staff project management, inspection and indirect costs. These additional costs have caused the project to be underbudgeted by \$58,000.

As valuable time, effort and expense have already been expended on this project, and McClusky's bid for the construction of the building contains time constraints, expediency is important and in the best interests of the City of Sacramento. To this end, Fleet Management is requesting that the sum of \$58,000 be transferred from the Fleet Management Contingency Reserve to accommodate the project. This transfer of funds will allow Facility Management to proceed with the project before further cost escalations occur and will provide Fleet Management staff with the necessary space to function efficiently.

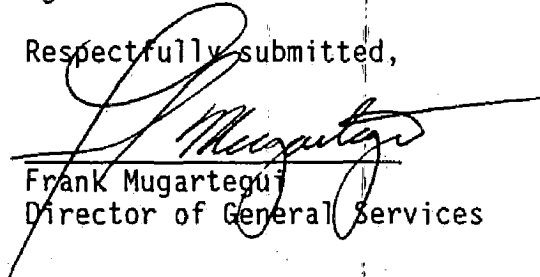
FINANCIAL DATA:

Sufficient funds are available in the Fleet Management Contingency Reserve to cover the transfer of \$58,000 to the Capital Improvement Project: GG CA 26, Additional Office Space, Building #3. Per the mid year review, the Fleet Management Contingency Reserve balance is \$2,355,000. This request would reduce the fund by \$58,000.

RECOMMENDATION:

It is therefore recommended that in the best interests of the City, the City Council adopt the attached resolution for the transfer of \$58,000 from the Fleet Management Contingency Reserve to the Capital Improvement Project: GG CA 26, Additional Office Space, Building # 3.

Respectfully submitted,


Frank Mugartegui
Director of General Services

RECOMMENDATION APPROVED:

Walter J. Slipe
City Manager

March 22, 1988
All Districts

Attachments
FM:88040:RM/vh

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

March 22, 1988

RESOLUTION AMENDING CAPITAL IMPROVEMENT PROJECT
GG CA 26, ADDITIONAL OFFICE SPACE, BUILDING # 3
BY \$58,000 BY THE TRANSFER OF FUNDS FROM THE
FLEET MANAGEMENT CONTINGENCY RESERVE

BE IT RESOLVED BY THE CITY OF SACRAMENTO, TWO-THIRDS (2/3) OF ALL MEMBERS
VOTING IN FAVOR THEREOF:

That it is hereby determined to be in the best interests of the City to
transfer appropriations from the Fleet Management Contingency Reserve:

420-710-7012-4999 \$58,000

to the Capital Improvement Project: Additional Office Space, Building # 3:

420-500-CA26-4820 \$58,000

for the completion of the expansion/remodeling of the Fleet Management
administrative offices.

MAYOR

ATTEST:

CITY CLERK