

**APPROVED**  
BY THE CITY COUNCIL

**FEB 23 1999**

OFFICE OF THE  
CITY CLERK



4.1.1

DEPARTMENT OF  
PUBLIC WORKS

CITY OF SACRAMENTO  
CALIFORNIA

915 I STREET  
ROOM 200  
SACRAMENTO, CA  
95814-2608

OFFICE OF THE DIRECTOR

PH 916-264-7100  
FAX 916-264-5573

February 10, 1999

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT: APPROVAL OF DEPARTMENT OF PUBLIC WORKS OPERATING BUDGET CARRYOVER SPENDING PROPOSAL (\$1.167 MILLION); ESTABLISH CITY FACILITY DEFERRED MAINTENANCE CIP (\$1 MILLION); ESTABLISH ELECTRONIC PARKING METER CIP (\$167,000)**

**LOCATION AND COUNCIL DISTRICT:**

City-wide; All districts.

**RECOMMENDATION:**

Staff recommends that the City Council adopt the attached resolution, which authorizes the following:

- Appropriation of \$1.167 million from the Public Works Operating Budget Carryover from Fiscal Year 1996/97 and Fiscal Year 1997/98.
- Establish a City Facility Deferred Maintenance CIP - (\$1 million).
- Establish an Electronic Parking Meter CIP - (\$167,000).

**CONTACT PERSON:** Mike Kashiwagi, Director of Public Works, 264-7100

**FOR COUNCIL MEETING OF:** February 23, 1999

**SUMMARY:**

This report recommends appropriating \$1.167 million from the Department of Public Works General Fund operating budget carryover to establish a City Facility Deferred Maintenance CIP in the amount of \$1 million and to establish an Electronic Parking Meter CIP in the amount of \$167,000.

## City Council

Approval Of Department Of Public Works Operating Budget Carryover Spending Proposal;  
Establish City Facility Deferred Maintenance CIP; Establish Electronic Parking Meter CIP  
February 10, 1999

The City Facility Deferred Maintenance CIP is proposed to assist in reducing the backlog of the most critical deferred facility maintenance projects that include: City Hall terra cotta and brick masonry repairs, roofing replacements, heating/ventilation replacements, carpet replacements, painting projects, and high priority facility audits. The Electronic Parking Meter CIP is proposed to provide 400 additional electronic meters with debit card capability for use in premium parking areas with high parking demand.

### **COMMITTEE/COMMISSION ACTION:**

None.

### **BACKGROUND INFORMATION:**

During Fiscal Year 1996/97 and Fiscal Year 1997/98 The Department of Public Works achieved General Fund budget carryover savings totaling \$1.167 million. These "one-time" savings were primarily due to implementation of staffing efficiencies in preparation for the Fiscal Year 1998 department restructuring. The department restructuring was fully implemented with the Fiscal Year 1998 budget which permanently reduced Public Works' annual reliance on the General Fund \$850,000.

On December 8, 1998, the City Council approved a Department Operating Budget Carryover policy and directed departments with operating budget carryover to report back with specific programming recommendations for Council consideration. This recommendation is consistent with the adopted criteria of funding projects with inter-department or City-wide benefit and funding one-time expenditures for equipment that will increase department effectiveness or efficiency.

#### **Deferred Facility Maintenance**

The Department of Public Works is responsible for the maintenance of more than 380 buildings and public areas with a current replacement value that exceeds \$400 million. Annually, \$2.6 million is budgeted to provide facility maintenance to these facilities. The current budget amount provides for unscheduled maintenance (complaint based), preventative maintenance and some high priority replacement and renovation projects that achieve long term maintenance savings. In addition to the funding for these maintenance activities \$250,000 is budgeted annually for major repair and replacement projects that is currently dedicated primarily to the backlog of roof replacements.

It is estimated that there is currently a \$1.725 million backlog of high-priority facility maintenance projects including: roofing replacements, heating/ventilation replacements, carpet replacements, and major painting projects. The proposed \$1 million funding of a City Facility Deferred Maintenance CIP will increase department efficiency by addressing the most critical building maintenance backlogs. Department resources will be freed up from responding to excessive unscheduled emergency maintenance calls and redirected to enhance scheduled preventative maintenance efforts.

#### **Electronic Debit Card Parking Meters**

The City current has 4,936 mechanical parking meters that are 12-15 years old. These meters generate nearly \$3 million of General Fund Revenue annually. Approximately 2,100 of these meters are long-term (all day) meters which are the most problematic and generate the most complaints and calls for services. As rates increase, mechanical meters require more coins to purchase maximum time. Calls for service, lost revenue and customer frustration from inoperative meters will increase if meter replacement continues to be deferred.

City Council  
Approval Of Department Of Public Works Operating Budget Carryover Spending Proposal;  
Establish City Facility Deferred Maintenance Cip; Establish Electronic Parking Meter Cip  
February 10, 1999

Replacing existing mechanical all day parking meters with modern electronic parking meters that have debit card capability will result in the City-wide benefit of improving customer services. It is proposed to provide 400 additional electronic meters with debit card capability for use in premium parking areas with highest parking demand. This one-time expenditure for equipment will also increase department effectiveness and efficiency by reducing service calls for inoperative meters.

**FINANCIAL CONSIDERATIONS:**

This report and the attached Resolution request the appropriation of \$1.167 million from the Public Works Department operating budget General Fund carryover to establish a City Facility Deferred Maintenance CIP - (\$1 million) and an Electronic Parking Meter CIP – (\$167,000).

The mechanism of Council approval of carryover funding requests and the justification of this request are covered in the Policy Section below.

**ENVIRONMENTAL CONSIDERATIONS:**

Ongoing administrative and maintenance activities, which are not made for purposes of a public works construction project, do not constitute a "project" and are exempt from the California Environmental Quality Act (CEQA). CEQA Guidelines, Sections 15061(b)(1), 15378(b)(3).

**POLICY CONSIDERATIONS:**

At its meeting of December 8, 1998, the City Council decided that funding requests from the department's operating budget carryover would be considered through the presentation of additional detail beyond that provided on December 8. This report was produced in compliance with that decision. The criteria that the Council adopted for carryover funding requests that apply to this recommendation are as follows:

- To fund one-time expenditures for equipment or training that will increase department effectiveness or efficiency.
- To fund a project with inter-department or City-wide benefit.

**MBE/WBE:**

There are no M/WBE issues related to this recommendation.

Respectfully submitted,



Mike Kashiwagi  
Director of Public Works

RECOMMENDATION APPROVED:



WILLIAM H. EDGAR  
City Manager

**CITY FACILITY DEFERRED MAINTENANCE PROJECT**

PROJECT#: CE21  
 FY Initiated: 98/99

Location  
 City-wide

Council District:  
 Citywide  1  2  3  4  5  6  7  8

**NEW PROJECT**

Neighborhood Area:  
 Citywide  NA1  NA2  NA3  NA4

Planning Area:  
 NA  Citywide  PA1  PA2  PA3  PA4  PA5  PA6  PA7  PA8  PA9  PA10  PA11

**Project Description**

1. Conduct high priority facility audits. A facility audit is a vehicle for assessing the existing physical condition and functional performance of buildings, grounds, utilities, and equipment. The results of this audit are used to address major and minor and urgent and long-term needs for corrective action. 2. Repair City Hall deterioration, City Hall is in good physical shape for a building of its age but has major needs that require attention. The terra cotta is cracked and damaged. The backs of the brick masonry have eroded mortar. There is significant corrosion and peeling paint on the decorative metal. The existing windows are worn and dry rotted. Failure to address those deficiencies now will result in significantly increased costs later. 3. Replace and repair roofing, HVAC, and carpet, and paint critically worn areas. Three years ago it was not unusual to receive 25 service calls after a rain with complaints of leaky roofs. Now, after intensive roof repair and replacement, we receive less than 5 service calls after a major rain. Although not as critical as roof repair, it is clear that we need a similar effort in the maintenance of our HVAC, carpet and painting efforts to minimize life cycle maintenance costs.

**Project Objectives**

1. To determine the repair and replacement needs for city facilities and to establish a proper plan to make the necessary corrections. 2. To prevent further City Hall deterioration by repairing terra cotta, masonry brick, decorative metal, and windows. 3. To replace and repair roofing, HVAC, and carpet and paint critically worn areas to minimize life cycle maintenance costs.

**Existing Situation**

The annual General Fund expenditure for Facility Maintenance at \$2.6 million is inadequate to provide the repair and replacement of facilities with a present value of more than \$ 400 million. Periodic CIPs are required. Failure to provide such projects will result in deterioration of facilities.

**Operating Budget Impact**

Department resources will be freed up from responding to excessive emergency maintenance calls and redirected to enhance scheduled preventative maintenance efforts.

Fund Source	Budget through 6/99	Estimated Balance 6/99	Five Year Funding				
			1998-99	1999-00	2000-01	2002-03	2003-04
General Fund			\$1,000,000				
<b>TOTAL</b>			\$1,000,000				



## CITY FACILITY DEFERRED MAINTENANCE PROJECT

Project #: CE21

**Additional Project Comments**

A Facility Audit is a vehicle for assessing the existing physical condition and functional performance of buildings, grounds, utilities, and equipment. The results of this audit are used to address major and minor and urgent and long-term needs for corrective action. A thorough audit should cost between \$0.05 and \$0.15 per square foot and should be conducted every five years.

City Hall is in good physical shape for a building of its age but has major needs that require attention. The terra cotta is cracked and damaged and some feaures have been displaced. The joints need to be repointed and some connecting steel needs to be replaced. The backs of the brick masonry have eroded mortar. The eroded joints need to be repaired and some bricks need to be replaced. There is significant corrosion and peeling paint on the decorative metal, which needs to be repaired. The existing windows are worn and dry rotted and need to be replaced. Failure to address those deficiencies now will result in significantly increased costs later.

The Standard Life Cycle times for roofs (15 to 25 years); HVAC (10 to 25 years); carpet (5 to 20 years); and painting (1 to 15 years) vary greatly. Three years ago Facility Maintenance received as many as 25 service calls after a rain or roof repair. After three years of intensive roof repair and replacement, we now receive less than 5 service calls after a major rain. The extra effort in the roofing area needs to be maintained for a couple more years. Although not as critical as roof repair, it is clear that we need a similar effort in the maintenance of our HVAC, carpet and painting efforts. Facilities staff spends too much time and effort maintaining HVAC equipment that is long past its expected life. There are many areas where the carpet and resilient flooring is a safety hazard. We are running into dry rot at facilities because of failure to paint often enough.



**ELECTRONIC PARKING METERS**

PROJECT#: VD61  
 FY Initiated: 98/99

Location  
 Citywide

**Council District:**

Citywide  1  2  3  4  5  6  7  8

**NEW PROJECT**

**Neighborhood Area:**

Citywide  NA1  NA2  NA3  NA4

**Planning Area:**

NA  Citywide  PA1  PA2  PA3  PA4  PA5  PA6  PA7  PA8  PA9  PA10  PA11

**Project Description**

Replace existing mechanical all day parking meters with modern electronic parking meters that have debit card capability.

**Project Objectives**

Increased customer service and satisfaction - Customers will have the convenience of purchasing a parking debit card in advance.

Increase parking meter revenues through increased reliability. Fewer parking meters will be inoperative on a daily basis.

**Existing Situation**

All day parking requires that the customer deposit twelve quarters in one of approximately 1,800 ten-hour parking meters. Ten-hour meters are the most problematic and generate the most complaints and calls for service. As rates increase these meters will require more coins to purchase the maximum time. Calls for service and lost revenue from inoperative meters will likely increase.

**Operating Budget Impact**

Increase parking meter revenues through increased reliability. Fewer parking meters will be inoperative on a daily basis.

Fund Source	Budget through 6/99	Estimated Balance 6/99	Five Year Funding				
			1998-99	1999-00	2000-01	2002-03	2003-04
General Fund			\$167,000				
<b>TOTAL</b>			\$167,000				



APPROVED  
BY THE CITY COUNCIL

FEB 23 1999

OFFICE OF THE  
CITY CLERK

RESOLUTION NO. 99-076

ADOPTED BY THE SACRAMENTO CITY COUNCIL

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

RESOLUTION APPROVING DEPARTMENT OF PUBLIC WORKS  
CARRYOVER SPENDING PROPOSAL BY AMMENDING  
THE 1999 CIP PROGRAM TO ESTABLISH THE  
CITY FACILITY DEFERRED MAINTENANCE CIP  
AND THE ELECTRONIC PARKING METER CIP

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

- 1. The 1998/99 Capital Improvement Program be amended to establish the following CIP projects:

Deferred Facility Maintenance Project  
Electronic Parking Meter Project

- 2. The Department of Public Works General Fund operating budget carryover (\$1.167 million) be appropriated to the following CIPs as follows:

Deferred Facility Maintenance Project	\$1,000,000
Electronic Parking Meter Project	\$ 167,000
Total	\$1,167,000

\_\_\_\_\_  
MAYOR

ATTEST:

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

FOR CITY CLERK USE ONLY

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

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