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CITY OF SACRAMENTO

DEPARTMENT OF PUBLIC WORKS

ENGINEERING DIVISION

THOMAS M. FINLEY
Engineering Division Manager

October 9, 1985

CITY MANAGER'S OFFICE
RECEIVED
OCT 10 1985

City Council
Sacramento, California

APPROVED
BY THE CITY COUNCIL

Honorable Members In Session:

OCT 15 1985

SUBJECT: Greater Sacramento Area Plan - Agreement Amendment

OFFICE OF THE
CITY CLERK

AG 85060

SUMMARY

For reasons outlined below, it is necessary to increase our contribution to the Greater Sacramento Area Plan (GSAP) from \$30,000 to \$44,645. A resolution is attached authorizing the City Manager and City Clerk to execute an amendment to the GSAP agreement.

BACKGROUND

In 1974, the City Council adopted a policy requiring affirmative action on Public Works contracts. To implement this policy, the City became a signatory to the GSAP and required compliance by all contractors doing City work. The City contracted with the GSAP organization to provide monitoring service on City contracts.

A formula was developed for City and County contributions, with each agency paying \$250 per month plus 0.0013 times the average of the value of construction contracts over a three year period. Prior to 1981-82, the City had been paying less than \$30,000 per year. A request for more funds was made that year and we agreed to pay a flat \$30,000 per year. During the period since 1981-82, the County has continued to pay based on the formula and their share has varied up to \$100,000. Their current year's share was established at \$70,080.

Since this year's budget was adopted, the GSAP Board became aware of unpaid payroll taxes for various quarters of prior fiscal years. The Plan has paid off these liabilities of the past administration and is now keeping current on all accounts payable and all accounts receivable. The payment of these old obligations has caused a shortfall of approximately \$19,000 in revenue for the current fiscal year budget.

The staffs of the City and County Public Works Departments have reviewed the Plan's budget; have determined that the budget reductions required to fund this shortfall would not fund the positions the Plan needs to perform the work required by our agreements; and recalculated the City's and County's level of funding based on our respective contract volumes. The County's fiscal year share would change from \$70,080 to \$74,556, and the City's fiscal year share would change from \$30,000 to \$44,645. It is not recommended that the other subscribers' smaller allocations be amended, since an adjustment, if any, to their allocations would be insignificant.

FINANCIAL

There are sufficient funds in the Engineering Division services and supplies budget to pay the additional \$14,645 authorized by this Amendment. The new maximum payment authorized will be \$44,645. The agreement cost will be cost applied to all CIP projects, assessment districts, etc.

RECOMMENDATION

It is recommended that:

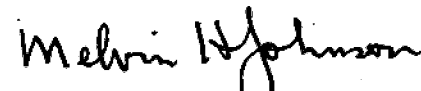
1. The City return to paying its share of GSAP based on a formula that divided the City and County charges in proportion to contracts awarded.
2. The attached resolution be adopted, authorizing the City Manager and City Clerk to execute an Amendment the GSAP agreement, approved July 6, 1982.

Respectfully submitted,


THOMAS M. FINLEY

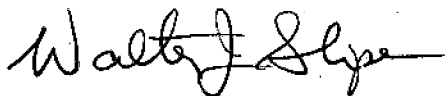
Engineering Division Manager

Approve:



MELVIN H. JOHNSON
Director of Public Works

Recommendation Approved:



WALTER J. SLIPE
City Manager

GDC:vr
GC246Cd1

Attachment

October 15, 1985
All Districts

RESOLUTION NO. 85-781

Adopted by The Sacramento City Council on date of

AUTHORIZING AMENDMENT TO AGREEMENT
BETWEEN CITY OF SACRAMENTO AND
GREATER SACRAMENTO AREA PLAN

APPROVED
BY THE CITY COUNCIL
OCT 15 1985
OFFICE OF THE
CITY CLERK

WHEREAS, the City of Sacramento has continued to maintain an agreement with the Greater Sacramento Area Plan (GSAP) since 1974 to have GSAP perform affirmative action monitoring on all of the City Public Works contracts, and

WHEREAS, it is necessary that the City increase its share of the cost of GSAP by \$14,645 to be in balance with the proportion of Public Works contracts awarded.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

The City Manager and City Clerk are hereby authorized and directed to execute that certain amendment to the agreement with the Greater Sacramento Area Plan approved July 6, 1982, to increase the funding level for Fiscal Year 1985/86 to \$44,645, the funding to be provided from the Engineering Division Operating Budget.

MAYOR

ATTEST:

CITY CLERK