



Board Report

File #: RES 20-058, **Version:** 1

Adopt a resolution authorizing and directing the Auditor-Controller to:

- a. Amend FY 2019-20 Capital Projects Adopted Budget, Fund 402, Appropriation Unit RMA014, to increase appropriations by \$250,200 for the Direct Digital Control System and Chiller Repairs for the Heating, Ventilation & Air Conditioning System at 1441 Schilling Place in Salinas, financed by an operating transfer in of \$250,200 from Fund 001, Appropriation Unit CAO017; and
- b. Transfer \$250,200 from Other Financing Uses, Fund 001, Appropriation Unit CAO017, to Capital Projects, Fund 402, Appropriation Unit RMA014, where Other Financing Uses has sufficient appropriations in the FY 2019-20 adopted budget to cover the transfer.

RECOMMENDATION:

RMA requests that the Board of Supervisors adopt a resolution authorizing and directing the Auditor-Controller to: 1) Amend FY 2019-20 Capital Projects Adopted Budget, Fund 402, Appropriation Unit RMA014, to increase appropriations by \$250,200 for the Direct Digital Control System and Chiller Repairs for the Heating, Ventilation & Air Conditioning System at 1441 Schilling Place in Salinas, financed by an operating transfer in of \$250,200 from Fund 001, Appropriation Unit CAO017 (4/5th vote required), and 2) Transfer \$250,200 from Other Financing Uses, Fund 001, Appropriation Unit CAO017, to Capital Projects, Fund 402, Appropriation Unit RMA014, where Other Financing Uses has sufficient appropriations in the FY 2019-20 adopted budget to cover the transfer (4/5th vote required).

SUMMARY:

On March 2, 2020, the Resource Management Agency (RMA) received a letter dated February 27, 2020 from the Department of Industrial Relations, Division of Occupation Safety and Health (OSHA), which notified RMA that OSHA had received a complaint alleging potential concerns with the Heating, Ventilation, and Air Conditioning (HVAC) system at 1441 Schilling Place in Salinas (Attachment A).

On February 28, 2020, RMA-Facilities contacted ACCO Engineered Systems to inspect the HVAC system. They determined that the Direct Digital Control System (DDCS) that operated the HVAC controls is inoperable and obsolete and that Chiller Motor #3 is not working.

On March 17, 2020, RMA-Facilities responded to OSHA (Attachment B) and indicated that the Notice to Proceed (NTP) with repairs would be affected by current conditions regarding Shelter in Place Orders, but all repairs, installation, and testing would be completed within 60 days following the issuance of the NTP. Two (2) NTPs were issued on March 27, 2020 (Attachment C).

On April 17, 2020, RMA notified the Board of Supervisors via memorandum (Attachment D) that it had moved forward with the Direct Digital Control System and Chiller Repairs for the Heating, Ventilation, and Air Conditioning System at 1441 Schilling Place (Project) to avoid further occupant discomfort and possible citation from OSHA.

The estimated Project cost of \$250,200, qualifies as a Capital Project and will be performed out of Fund 402

Capital Projects, Appropriation Unit RMA014. As there are insufficient funds within the FY 2019-20 Fund 402 Adopted Budget, RMA recommends that the Project be financed by an Operating Transfer-In from general funds out of Other Financing Uses, Fund 001, Appropriation Unit CAO017, where the Countywide Cost Allocation for Building Depreciation is budgeted.

DISCUSSION:

Both the DDCS and Chiller projects are included in the County Five-Year Capital Improvement Program for Fiscal Years 2019-20 through 2023-24. The DDCS system is titled *Building Management System at 1441 Schilling Place*; the Chiller project is titled *1441 Schilling Project-Replace HVAC Chiller Motor #3*.

Since this Project was not budgeted in the Fiscal Year (FY) 2019-20, and it meets the requirements of a Capital Improvement Project, RMA requests an increase in appropriations in the Capital Projects Fund 402, in the amount of \$250,200, financed by an operating transfer in from Other Financing Uses Fund 001, Appropriation CAO017, where funds from the Countywide Cost Allocation for Building Depreciation are budgeted. Building Depreciation is an appropriate funding source for this project.

OTHER AGENCY INVOLVEMENT:

The Capital Improvement and Budget committees and Board of Supervisors approved the individual projects in the County Five-Year Capital Improvement Program for FYs 2019-20 through 2023-24. This item was presented to the Budget Committee at their April 29, 2020 meeting. The Budget Committee supports this recommendation.

FINANCING:

The FY 2019-20 Fund 402 Capital Projects Adopted Budget did not include funding for this Project (See Attachment E-Project budget). RMA recommends the financing source, in the form of an Operating Transfer-In, be from general funds out of Other Financing Uses, Fund 001, Appropriation Unit CAO017, where the Countywide Cost Allocation for Building Depreciation is budgeted. Sufficient appropriations are available in CAO017 to fund this project.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action supports the Board of Supervisors' Administration, Infrastructure, and Public Safety Strategic Initiatives. Prompt action by RMA to effect timely repairs protects the County facility and appurtenances, promotes safety for the building occupants and public, and ensures continuity of County operations.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Patricia A. Lopez, Project Manager II (831)755-8998
Reviewed by: Lindsay Lerable, Chief of Facilities
Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services

Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A-02-27-20 OSHA Letter

Attachment B-03-17-20 RMA-Facilities Response E-mail

Attachment C-03-27-20 Notices to Proceed (2)

Attachment D-April 17, 2020 Memorandum to Board of Supervisors

Attachment E-Project Budget

Attachment F-Draft Resolution

(Attachments are on file with the Clerk of the Board of Supervisors)