

GOVERNMENT OPERATIONS and BUDGET, FINANCE AND INNOVATION COMMITTEES' REPORT relative to a contract and construction of the new 7th Street Body Shop.

Recommendation for Council action:

AUTHORIZE the Department of General Services (GSD) to award a contract and initiate construction of the new 7th Street Body Shop with a shortfall of \$5.87 million with additional funding required in Fiscal Year (FY) 2023-24.

Fiscal Impact Statement: The Municipal Facilities Committee (MFC) reports that there is no current-year impact on the General Fund. However, additional funding of \$5.87 million would be needed in the upcoming fiscal year to fully fund the project. Pursuant to MFC instructions, the program management team is working to determine whether cost recovery from special fund sources is available. To the extent that any special fund contribution is not sufficient to fully resolve the project funding shortfall, the remaining shortfall would need to be provided through the FY 2023-24 City Budget process in order to complete construction of the replacement facility.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on January 24, 2023, your Government Operations Committee considered a report from the MFC dated December 21, 2022 authorize the GSD to award a contract and initiate construction of the new 7th Street Body Shop with a shortfall of \$5.87 million with additional funding required in FY 2023-24.

After an opportunity for public comment was held, the Committee recommended that Council approve the recommendation in the MFC report.

Subsequently on January 30, 2023, the Budget, Finance and Innovation Committee considered the MFC report, and concurred with the Government Operations Committee action of January 24, 2023. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

GOVERNMENT OPERATIONS COMMITTEE

BUDGET, FINANCE AND INNOVATION

<u>MEMBER</u>	<u>VOTE</u>
HARRIS-DAWSON:	YES
HERNANDEZ:	YES
HUTT:	YES

<u>MEMBER</u>	<u>VOTE</u>
BLUMENFIELD:	YES
PRICE:	YES
YAROSLAVSKY:	YES
McOSKER:	YES
RODRIGUEZ:	YES

MM
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-NOT OFFICIAL UNTIL COUNCIL ACTS-