

\$824,500; increased rent cost at 435 Executive Court (July - December 2020) estimated to be \$55,000; and contingencies estimated to be \$266,424.

The Accumulated Capital Outlay (ACO) Fund in Budget Unit 1665 will fund 45% of the Project or \$2,000,000. The State's contribution will fund 43% of project costs with state and federal funds. The State has reviewed the conceptual estimate and provided a list of allowable expenditures, currently estimated at a total of \$1,889,379. DCSS anticipates submitting an agenda item in November 2019 requesting that the Board recognize and appropriate the unanticipated revenue from the State to the project.

General Services plans to request Board approval for remaining funding need of \$503,267 in the future, if needed. The county's share of costs for these improvements will be recovered in the building use charges (A-87) over a 20-year period. The current cost estimate is based on a concept-level test-fit floor plan and generic construction unit prices. Cost estimates will be refined as the project design develops.

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

DISCUSSION:

DCSS receives state and federal government funding to support operational expenses, 34% and 66% respectively. With the exception of a modest increase in funding in FY2019/20, the Department's funding has remained relatively flat since FY2002/03. As such, the Department continues to experience cost pressures related to rising building lease expenses and increases in salaries, retirement and health benefit costs. Consequently, staffing levels have been reduced from 181 employees to 93 employees, a 48.6% reduction over 17 years, achieved through attrition.

DCSS currently occupies 19,680 s.f. at 435 Executive Court North, in Fairfield. General Services Department (GSD) was requested to perform an initial test-fit analysis in FY2017/18 to determine if DCSS' space requirements could be accommodated within existing unimproved space on the fifth floor of the CAC, located at 675 Texas Street in Fairfield. The analysis confirmed that space needs can be accommodated. Subsequently, \$2 million was appropriated in FY2018/19 for further project work efforts.

A project kick-off meeting was held in June 2019 with DCSS, GSD, and architectural consultant Dreyfuss + Blackford of Sacramento to establish project goals, re-validate program space needs, establish the project's timeline, and confirm initial project scope. A conceptual floor plan (Attachment B), which encompasses approximately 12,000 gross s.f. on the 5th floor of the CAC, was developed to re-validate DCSS' space program needs. The plan illustrates an open-plan concept, improving the DCSS work environment with more efficient operational flow while supporting the organizational culture of DCSS. The plan also allows for future growth within the allocated space by converting flex spaces into eight (8) additional workstations.

Relocating DCSS to the CAC will produce a savings in lease, utilities, and maintenance costs. DCSS will continue receiving State support for its operations, at previously funded levels, and separate from the State's funding for improvements. Other Departments in the CAC will realize a savings for share of the common space building occupancy costs, in the cost plan, as DCSS embeds its footprint in the CAC. In addition, the General Fund will benefit from additional lease revenue associated with DCSS occupying the 5th floor.

If the Board approves the requested actions, the project is scheduled for bidding in late Winter 2020, with construction starting in Spring 2020 and project completion by Fall 2020.

ALTERNATIVES:

The Board could choose not to approve the Project. This action is not recommended as DCSS continues to experience financial pressures from increased operating expenses and the relocation will provide some relief

and the County will not receive one-time State revenue to offset project costs. The unimproved space on the fifth floor of CAC will remain underutilized, with no savings to other departments and lease revenue from State.

OTHER AGENCY INVOLVEMENT:

The Department of Child Support Services was consulted during preparation of the test-fit analysis, conceptual floor plan, and conceptual estimate. The California Department of Child Support Services, County Department of Resource Management, and County Department of Information Technology were consulted during preparation of the project scope and conceptual estimate. The Debt Advisory Committee has reviewed this proposal.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION