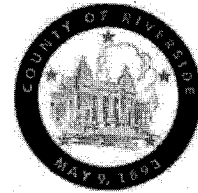


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
3.43
(ID # 3327)

MEETING DATE:

Tuesday, February 7, 2017

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Proposed FY2017/18 Hourly Rates for Custodial Services, All Districts. [\$14,790,640 - Department Budgets]

RECOMMENDED MOTION: That the Board of Supervisors:


1. Approve and adopt the proposed hourly rates for the Economic Development Agency's Custodial Services Division as specified in Attachment A for FY 2017/18.

ACTION: Policy

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington and Ashley
Nays: None
Absent: None
Date: February 7, 2017
xc: EDA

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

BACKGROUND:

Summary

The Economic Development Agency (EDA) is proposing the adoption of hourly rates for FY 2017/18 to recover costs associated with the provision of custodial services to its customers as specified in Attachment A. In accordance with Board Policy B-4 and B-28, EDA brings cost recovery rates to the Board of Supervisors for approval and adoption on an annual basis.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 14,790,640	\$ 14,790,640	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Department Budgets			Budget Adjustment:	No
			For Fiscal Year:	2017/18

C.E.O. RECOMMENDATION: APPROVE

BACKGROUND:

Summary (Continued)

The EDA Custodial Services Division operates as an Internal Service Fund (ISF) and the only source of revenue for this service is derived by charges to customers. Custodial rates were derived by combining direct and indirect costs to run and operate the division. The division is proposing the billable hourly rates for FY 2017/18 to recover costs associated with providing comprehensive custodial services.

Customers will be billed based on the number of hours actually worked at each facility and approved service agreements. Customers will also be billed direct charges for expenditures that are specific to their facilities. The estimated financial impact for FY 2017/18 by customer departments, agencies, and other occupants of a county facility is estimated in Attachment B.

With this annual rate submittal, EDA has complied with Board policies B-4 and B-28. The Executive Office and EDA have collaborated and agreed on a rate calculation method that reduces custodial costs to customers by approximately \$550,000. The Auditor-Controller's Office has reviewed the proposed rates and methodology.

Impact on Citizens and Businesses

The Custodial Services Division is dedicated to providing cleaning services that promotes healthier conditions in county buildings. This division will provide cleaning services to county

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

buildings in a manner that is professional and hygienic to the residents and businesses throughout Riverside County.

SUPPLEMENTAL:

Additional Fiscal Information

The proposed rates are limited in providing full cost recovery for services. Limited cash reserves remain available within the fund and the department will continue to monitor cash flow. Consequently, the Auditor-Controller has recommended an increase in revenues to build working capital reserves over a three to five year period and repay the general fund loan. The EDA will continue to work with the Executive Office and Auditor-Controller to identify funding for general fund loan repayment and a strategic approach to increasing revenues.

Contract History and Price Reasonableness

Comparisons with prior year rates are presented in Attachment A.

ATTACHMENTS:

Attachment A – FY 2017/18 Proposed Custodial Services Division Hourly Rates
Attachment B – FY 2017/18 Estimated Hourly and Direct Charges

RF:JWW:SH:MS:CL 3327

Attachment A

**Proposed EDA FY 2017/18
Custodial Services Division Hourly Rates**

	<u>FY 16/17 Current</u>	<u>FY 17/18 Proposed</u>	<u>FY 16/17 Current OT</u>	<u>FY 17/18 Proposed OT</u>
Custodial Services Hourly Rate	\$41.39	\$45.63	\$53.59	\$57.42

Attachment B
Custodial Services for FY 17/18

Department	FY 16/17 Budgeted Annual Labor Cost	FY 16/17 Pass Thru	FY 16/17 Annual Labor & Pass Thru Cost	FY 17/18 Annual Labor Cost	FY 17/18 Pass Thru	FY 17/18 Annual Labor & Pass Thru Cost	Inc / (Decr)
Board of Supervisors	\$ 325	\$ 18	\$ 343	\$ 316	\$ 18	\$ 334	\$ (9)
Clerk of the Board	\$ 13,550	\$ 579	\$ 14,129	\$ 24,805	\$ 576	\$ 25,381	\$ 11,252
Human Resources	\$ 131,116	\$ 8,627	\$ 139,743	\$ 182,122	\$ 8,702	\$ 190,824	\$ 51,081
Assessor-County Clerk-Recorder	\$ 323,903	\$ 26,930	\$ 350,833	\$ 340,991	\$ 26,948	\$ 367,939	\$ 17,106
Auditor-Controller	\$ 103,740	\$ 7,549	\$ 111,289	\$ 108,711	\$ 7,548	\$ 116,259	\$ 4,970
Treasurer/Tax Collector	\$ 90,851	\$ 7,036	\$ 97,887	\$ 99,989	\$ 7,044	\$ 107,034	\$ 9,147
County Counsel	\$ 50,807	\$ 10,222	\$ 61,029	\$ 55,970	\$ 10,222	\$ 66,192	\$ 5,163
EDA Admin	\$ 10,151	\$ 1,784	\$ 11,935	\$ 9,738	\$ 1,352	\$ 11,090	\$ (845)
WDC	\$ 8,050	\$ 1,415	\$ 9,465	\$ 7,722	\$ 1,072	\$ 8,794	\$ (671)
Housing Authority	\$ 49,916	\$ 5,161	\$ 55,077	\$ 47,933	\$ 5,161	\$ 53,093	\$ (1,984)
Museum	\$ 11,803	\$ 3,330	\$ 15,133	\$ 11,317	\$ 3,308	\$ 14,625	\$ (508)
EDA Aviation	\$ 1,546	\$ 522	\$ 2,068	\$ 1,483	\$ 206	\$ 1,689	\$ (379)
EDA Fair	\$ 7,175	\$ 7,597	\$ 14,772	\$ 6,900	\$ 3,379	\$ 10,279	\$ (4,493)
District Attorney	\$ 361,237	\$ 52,413	\$ 413,650	\$ 401,538	\$ 52,413	\$ 453,951	\$ 40,301
Riv Co Dept Child Services	\$ 131,241	\$ 7,306	\$ 138,547	\$ 126,019	\$ 7,306	\$ 133,325	\$ (5,222)
Public Defender*	\$ 107,767	\$ 18,054	\$ 125,821	\$ 243,154	\$ 28,555	\$ 271,708	\$ 145,887
Sheriff*	\$ 1,911,214	\$ 233,258	\$ 2,144,472	\$ 2,298,863	\$ 231,246	\$ 2,530,109	\$ 385,637
Probation	\$ 532,429	\$ 48,287	\$ 580,716	\$ 551,629	\$ 136,113	\$ 687,742	\$ 107,026
Emergency Management Department	\$ -	\$ -	\$ -	\$ 53,732	\$ 2,939	\$ 56,671	\$ 56,671
Fire Department	\$ 188,402	\$ 11,541	\$ 199,943	\$ 129,231	\$ 8,605	\$ 137,836	\$ (62,107)
Agricultural Commissioner	\$ 50,473	\$ 3,951	\$ 54,424	\$ 49,859	\$ 3,954	\$ 53,813	\$ (611)
TLMA-RCHCA	\$ 2,041	\$ 172	\$ 2,213	\$ -	\$ -	\$ -	\$ (2,213)
TLMA-Admin	\$ 63,375	\$ 2,925	\$ 66,300	\$ 62,048	\$ 2,842	\$ 64,890	\$ (1,410)
TLMA-Counter Services	\$ 2,638	\$ 819	\$ 3,457	\$ 3,148	\$ 820	\$ 3,967	\$ 510
TLMA-Bldg & Safety	\$ 96,042	\$ 1,974	\$ 98,016	\$ 95,205	\$ 2,110	\$ 97,315	\$ (701)
TLMA-Planning	\$ 38,826	\$ 3,277	\$ 42,103	\$ 42,496	\$ 3,605	\$ 46,101	\$ 3,998
TLMA-TRANS	\$ 146,191	\$ 13,069	\$ 159,260	\$ 142,131	\$ 13,073	\$ 155,203	\$ (4,057)
TLMA-Survey	\$ 18,919	\$ 1,739	\$ 20,658	\$ 18,756	\$ 1,732	\$ 20,487	\$ (171)
TLMA-CODE	\$ 60,793	\$ 7,051	\$ 67,844	\$ 55,716	\$ 6,749	\$ 62,465	\$ (5,379)
Mental Health*	\$ 2,148,716	\$ 202,336	\$ 2,351,052	\$ 2,426,147	\$ 202,449	\$ 2,628,596	\$ 277,544
Environmental Health	\$ 129,394	\$ 10,295	\$ 139,689	\$ 147,264	\$ 10,660	\$ 157,924	\$ 18,235
Public Health	\$ 339,568	\$ 28,997	\$ 368,565	\$ 474,892	\$ 33,760	\$ 508,652	\$ 140,087
Dept of Animal Services	\$ -	\$ 25	\$ 25	\$ -	\$ -	\$ -	\$ (25)
Health Care System	\$ 432,825	\$ 20,984	\$ 453,809	\$ 313,626	\$ 16,557	\$ 330,183	\$ (123,626)
RUHS	\$ 1,531,375	\$ 123,329	\$ 1,654,704	\$ 1,506,627	\$ 123,257	\$ 1,629,883	\$ (24,821)
DPSS	\$ 580,415	\$ 59,367	\$ 639,782	\$ 667,259	\$ 59,635	\$ 726,894	\$ 87,112
Dept of Community Action	\$ 528	\$ 52	\$ 580	\$ 508	\$ 52	\$ 559	\$ (21)
Veteran Services	\$ 37,127	\$ 3,384	\$ 40,511	\$ 35,642	\$ 3,384	\$ 39,026	\$ (1,485)
Cooperative Extension	\$ 13,328	\$ 2,646	\$ 15,974	\$ 12,791	\$ 2,646	\$ 15,437	\$ (537)
CSA	\$ 9,668	\$ 610	\$ 10,278	\$ 8,094	\$ 225	\$ 8,320	\$ (1,958)
CHS*	\$ -	\$ -	\$ -	\$ 9,150	\$ 3,803	\$ 12,953	\$ 12,953
PARKS	\$ 180,585	\$ 12,216	\$ 192,801	\$ -	\$ -	\$ -	\$ (192,801)
EDA FM Admin	\$ 40,501	\$ 4,155	\$ 44,656	\$ 41,152	\$ 3,306	\$ 44,458	\$ (198)
EDA FM Maintenance	\$ 31,181	\$ 10,542	\$ 41,723	\$ 31,763	\$ 10,828	\$ 42,591	\$ 868
EDA Real Estate	\$ 1,291,123	\$ 70,070	\$ 1,361,193	\$ 1,218,601	\$ 68,639	\$ 1,287,240	\$ (73,953)
EDA Parking	\$ 100,315	\$ 3,352	\$ 103,667	\$ 103,226	\$ 5,690	\$ 108,916	\$ 5,249
Purchasing & Fleet	\$ 185,873	\$ 21,298	\$ 207,171	\$ 178,471	\$ 21,012	\$ 199,483	\$ (7,688)
Information Technology	\$ 511,928	\$ 33,516	\$ 545,444	\$ 487,005	\$ 33,255	\$ 520,260	\$ (25,184)
Subtotal County Billing	\$ 13,373,971	\$ 1,181,068	\$ 14,555,039	\$ 12,833,739	\$ 1,176,752	\$ 14,010,490	\$ (544,549)

Attachment B
Custodial Services for FY 17/18

Department	FY 16/17 Budgeted Annual Labor Cost	FY 16/17 Pass Thru	FY 16/17 Annual Labor & Pass Thru Cost	FY 17/18 Annual Labor Cost	FY 17/18 Pass Thru	FY 17/18 Annual Labor & Pass Thru Cost	Inc / (Decr)
CAC Annex	\$ 392,295	\$ 14,631	\$ 406,926	\$ 376,674	\$ 14,792	\$ 391,466	\$ (15,460)
Bankruptcy Court	\$ -	\$ 113,455	\$ 113,455	\$ -	\$ 113,455	\$ 113,455	\$ (0)
CVAG	\$ -	\$ 279	\$ 279	\$ -	\$ 279	\$ 279	\$ (0)
RCOE	\$ 14,942	\$ -	\$ 14,942	\$ 14,339	\$ -	\$ 14,339	\$ (603)
US District Court	\$ -	\$ 105,439	\$ 105,439	\$ -	\$ 105,267	\$ 105,267	\$ (172)
Law Library	\$ 36,878	\$ 1,705	\$ 38,583	\$ 50,391	\$ 1,705	\$ 52,096	\$ 13,513
Palo Verde	\$ 52,110	\$ 3,140	\$ 55,250	\$ 50,026	\$ 3,140	\$ 53,167	\$ (2,083)
Subtotal Special Billing	\$ 496,225	\$ 238,649	\$ 734,874	\$ 491,430	\$ 238,639	\$ 730,068	\$ (4,806)
Total Billable	\$ 13,870,196	\$ 1,419,717	\$ 15,289,913	\$ 13,325,168	\$ 1,415,391	\$ 14,740,559	\$ (549,354)
EDA-Non Billable	\$ 22,474	\$ 27,167	\$ 49,641	\$ 22,989	\$ 27,092	\$ 50,081	\$ 440
Grand Total	\$ 13,892,670	\$ 1,446,884	\$ 15,339,554	\$ 13,348,158	\$ 1,442,483	\$ 14,790,640	\$ (548,914)

Notes:

Estimates do not include any unforeseen emergencies which may increase estimated charges.

All Departments with (*) include costs associated with new buildings totaling \$422,425.