

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



ITEM: 3.15
(ID # 23732)

MEETING DATE:
Tuesday, January 09, 2024

FROM : FACILITIES MANAGEMENT:

SUBJECT: FACILITIES MANAGEMENT: Approval of FY 24/25 Facilities Management Real Estate (FM-RE) Internal Service Rate, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Facilities Management-Real Estate (FM-RE) Internal Services rate for FY 24/25 as shown in Attachment A.

ACTION:Policy



Rose Salgado, Director of Facilities Management 12/22/2023

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: January 9, 2024
xc: FM-RE

Kimberly A. Rector
Clerk of the Board

By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Department Budgets 100%			Budget Adjustment:	No
			For Fiscal Year:	24/25

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Department of Facilities Management-Real Estate Services Division (FM-RE) oversees over 11 million square feet of county-owned space and approximately 5.7 million square feet of county-leased space and manages over 460 lease agreements. FM-RE provides several types of on-demand services, including the acquisition and disposition of real property, property analysis and negotiations, leasing and lease management services which include design/build/lease or Public Private Partnership – P3 transactions, space management, asset management and property management services. Requesting customers will be billed the approved hourly rate multiplied by the number of hours worked in providing these hourly services, including pre-leasing activities. In accordance with Board Policy B-8, *Leasing of Real Property*, FM-RE bills customers for leasing services based on a management fee applied to the lease amount once an agreement has been fully negotiated, approved by the Board of Supervisors and executed by all parties to the agreement.

FM is requesting that the Board adopt the hourly rates for FY 24/25 for the FM-RE, as shown in Attachment A. As directed by the Executive Office (EO), FM has developed rate packages that seek full cost recovery for the services provided (not including pass-through costs).

The FM-RE operates as an Internal Service Fund (ISF) department and must recover its operating costs through charges to on-demand customers. FM-RE rates were derived by combining direct and indirect costs to run and operate the division divided by the annual estimated billable hours.

Impact on Residents and Businesses

There is no impact on residents and businesses for this Board action.

Attachment A

**Proposed FM FY 2024/25
Real Estate Division Productive Hourly Rates**

	<u>FY 23/24 Current</u>	<u>FY 24/25 Proposed</u>	<u>FY 23/24 Current OT</u>	<u>FY 24/25 Proposed OT</u>
Real Estate Services: (Acquisitions & Pre-Leasing)	\$153.06	\$153.06	\$188.81	\$191.03
Leasing Services:	4.86%	4.84%		