

*STAFF REPORT**CITY OF OCEANSIDE*

---

DATE: May 4, 2011

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

SUBJECT: **BUDGET APPROPRIATION IN THE AMOUNT OF \$110,000 FROM THE CITY GENERAL FUND RESERVES TO THE POLICE/LIBRARY BUILDING MAINTENANCE ACCOUNT FOR PARKING LOT REPAIRS**

**SYNOPSIS**

Staff recommends that the City Council approve a budget appropriation in the amount of \$110,000 from the City General Fund Unallocated Fund Balance to the Police/Library Building Maintenance Account for common area maintenance (CAM) repairs.

**BACKGROUND**

In 1997 the City purchased a portion of the Mission Plaza Real Shopping Center and remodeled the buildings to create the Police Department buildings and a Branch Library. As part of the purchase agreement the City became a partner in the shopping center and subject to the Construction, Operation and Reciprocal Easement Agreement for the shopping center. A part of that agreement established the criteria for the management, operation, maintenance and repair of the common areas of the shopping center and a management company to oversee the common area maintenance.

Each owner is responsible for their share of the CAM charges based on the percentage of the shopping center they own. Total yearly CAM charges are divided by the shopping center square footage. The square footage charge is then multiplied by the amount of square feet each owner has to determine each owner's share of the CAM charges. The City is responsible for 49 percent of the CAM charges for the property we own and 2 percent for the long term leased property used for the library entrance. Normal yearly CAM charges are approximately \$70,000.

**ANALYSIS**

Yearly CAM charges cover the normal maintenance expenses such as electrical, water, trash pick-up, landscaping, cleaning, emergency repairs, and the management fee. The management company, at their sole discretion schedules major renovations and repairs. This year approximately \$215,000 in major renovation took place. \$175,000 was spent for the complete rehabilitation of the common area asphalt parking areas. 35,500 square feet of the parking area was removed and replaced at various depths,

1,250 square feet was overlaid and skin patched, 240,000 square feet received a seal coat, new concrete drain swales were installed, and the entire parking area was restriped. The remaining \$40,000 was used for landscape, lighting and sidewalk improvements. The City's share of the cost is \$110,000. Attached are the yearly CAM reconciliations for the City owned property and the long term leased property.

**FISCAL IMPACT**

Approving a budget appropriation in the amount of \$110,000 to the Police/Library Building Maintenance Account 630615851.5335 for the CAM renovations is necessary to fund the City's fair-share cost of the renovations. A transfer in the amount of \$110,000 will be made between the General Fund Unallocated Fund Balance fund 101 and account 630615851. Fund 101 currently has an unassigned fund balance of \$657,332.51.

**COMMISSION OR COMMITTEE REPORT**

Does not apply.

**CITY ATTORNEY'S ANALYSIS**

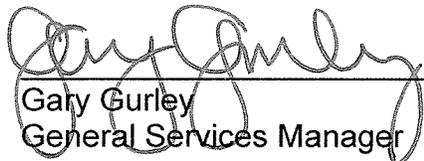
Does not apply.

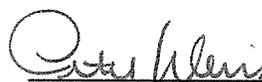
**RECOMMENDATION**

Staff recommends that the City Council approve a budget appropriation in the amount of \$110,000 from the City General Fund Unallocated Fund Balance to the Police/Library Building Maintenance Account for common area maintenance (CAM) repairs.

PREPARED BY:

SUBMITTED BY:

  
\_\_\_\_\_  
Gary Gurley  
General Services Manager

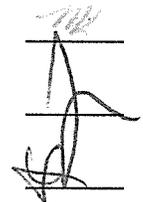
  
\_\_\_\_\_  
Peter A. Weiss  
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Joseph Arranaga, Deputy Public Works Director

Teri Ferro, Financial Services Director

  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# GOLDEN EAGLE MANAGEMENT, LLC

February 03, 2011  
COMMON AREA EXPENSES - ANNUAL RECONCILIATION

CITY OF OCEANSIDE  
3825 MISSION BLVD  
OCEANSIDE, CA 92054

SDG&E		\$19,252.89
WATER HOUSE METER		\$6,364.83
DISPOSAL		\$18,458.54
C.A.M. REPAIRS		\$28,925.86
SWEEPING		\$8,640.00
PAVING & STRIPING		\$175,258.68
LANDSCAPE		\$39,993.12
CENTER CLEANING		\$9,900.00
RESTROOM MAINTENANCE & SUPPLIES		\$0.00
CENTER LIGHTING		\$10,649.25
PAINTING		\$1,975.00
PLUMBING		\$260.31
CAM Bills:		\$319,678.48
Management Fee:		\$47,951.77
Total Billing:		\$367,630.25
Unit Square Feet:	58259	
Property Square Feet for CAM:	119050	
CAM Percent		48.94%
Total Billing Amount		\$179,905.68
Less Charges/Payments January - December		\$65,371.40
Total Due This Billing		\$114,534.28
New Monthly Pro-Rated Share of CAM		\$14,992.14

# GOLDEN EAGLE MANAGEMENT, LLC

---

31-Jan-11

## COMMON AREA EXPENSES - ANNUAL RECONCILIATION

CITY OF OCEANSIDE/LIBRARY SPAC  
3825 MISSION BLVD  
OCEANSIDE, CA 92054

SDG&E	\$19,252.89
WATER HOUSE METER	\$6,364.83
WATER - TENANTS BILLED DIRECT	\$0.00
DISPOSAL	\$18,458.54
C.A.M. REPAIRS	\$28,925.86
SWEEPING	\$8,640.00
LANDSCAPE	\$39,993.12
ROOF REPAIRS & MAINTENANCE	\$6,814.21
CENTER CLEANING	\$9,900.00
CENTER LIGHTING	\$10,649.25
PAINTING	\$1,975.00
WATER FLOW SECURITY	\$0.00
PAVING	\$175,258.68
PLUMBING	\$260.31

CAM Bills:	\$326,492.69
Management Fee:	\$48,973.90
Sub-Total C.A.M. & Management Fee:	\$375,466.59

Less: Contributions of Majors & Pads	\$242,735.75
--------------------------------------	--------------

Net Billable CAM Expense	\$132,730.84
--------------------------	--------------

Unit Square Feet:	1089
-------------------	------

Property Square Feet for CAM	119050
Less Major and Pads	78531
Less Unoccupied Space	0
Net Square footage	40519
CAM Percent	2.69%

Billing Amount - Common Area Repair and Maintenance	\$3,567.31
Less Charges/Payments January-December	\$1,261.98

Total Due this Billing	\$2,305.33
------------------------	------------

New Monthly Pro-Rated CAM	297.28
---------------------------	--------