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Memorandum

TO: Bay Area Headquarters Authority

DATE: December 14, 2011

FR: Executive Director

RE: Contract Amendment: Property Management Services: Amerimar Main Street Management Co., LLC

BAHA Staffing

Staff recommends that BAHA increase the authorized contract amount for BAHA's contract with Amerimar Main Street, San Francisco, Management Co., LLC to provide property management services at 390 Main Street, San Francisco, from \$100,000 to \$240,000.

Under the previous owners, Amerimar was responsible for managing the building operations and service contracts required to support the existing tenant, Western Laboratory. A sole source contract was approved in October 2011 for \$100,000 under the Executive Director's authority so property management services would continue uninterrupted after the close of escrow. The contract was amended in November 2011 upon confirmation and verification of Amerimar's internal controls and procedures by BAHA's Treasurer and Auditor.

Property management services are billed at an amount not to exceed \$20,000 per month which includes the fulltime facilities manager, part-time HVAC technician, and accounting and legal services. Amerimar is also responsible for approval and direct payment of all operating expenses (PG&E, water, sewer, trash, janitorial, security, HVAC, etc), and collection of property lease revenues. Amerimar provides BAHA with a monthly report detailing all proceeds, payments and operational issues. Total operating expenses are approximately \$125,000 per month and are nearly offset by total revenues of \$120,000.

Recommendation

Staff recommends that BAHA authorize the Executive Director or his designee to amend the contract with Amerimar Main Street Management Co., LLC to provide property management services at 390 Main Street through June 30, 2012, for a total contract amount not to exceed \$240,000.

 Steve Heminger

REQUEST FOR AUTHORITY APPROVAL

Summary of Proposed Consultant Contract Amendment

Consultant: Amerimar Main Street Management Co., LLC

Work Project Title: 390 Main Street – Property Management Services

Purpose of Project: To provide property management services at the regional agency headquarters facility.

Brief Scope of Work: Oversee building operations including service agreements, collection of lease proceeds and operating budget implementation

Project Cost Not to Exceed: \$100,000 - Original Authorized Contract
\$140,000 - Amendment #2
\$240,000 - Total authorized Contract Amount

Funding Source: BAHA FY 2011-12 Operating Budget

Fiscal Impact: Project costs for FY 2011-12 are consistent with funds budgeted for the program.

Motion by Committee: That BAHA authorize the Executive Director or his designee to amend the contract by \$140,000 with Amerimar Main Street Mangement Co., LLC to provide property management services at 390 Main Street through June 30, 2012, for a total contract amount not to exceed \$240,000, and that the Treasurer and Auditor is directed to set aside funds up to \$140,000 for such contract amendment.

BAHA Chair: _____
Adrienne J. Tissier

Approved: Date: December 21, 2011