

## CITY COUNCIL

Kevin Johnson, Mayor  
Angelique Ashby, District 1  
Allen Warren, District 2  
Jeff Harris, District 3  
Steve Hansen, District 4  
Jay Schenirer, District 5  
Eric Guerra, District 6  
Rick Jennings, II, Vice Mayor, District 7  
Larry Carr, Mayor Pro Tem, District 8

## CHARTER OFFICERS

James Sanchez, City Attorney  
Shirley Concolino, City Clerk  
John F. Shirey, City Manager  
John Colville, Interim City Treasurer



# Agenda

City Council  
Financing Authority  
Housing Authority  
Public Financing Authority  
Redevelopment Agency  
Successor Agency

City Hall-Council Chamber  
915 I Street, 1<sup>st</sup> Floor

Published by the Office of the City Clerk  
(916) 808-5163

**Thursday, April 14, 2016**  
**6:00 p.m.**

## **NOTICE TO THE PUBLIC**

You are welcomed and encouraged to participate in this meeting. Public comment is taken on items listed on the agenda when they are called. Public Comment on items not listed on the agenda will be heard as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select 3-5 speakers to represent the opinion of the group. **Speaker slips are available on the City's Website and located in racks inside the chamber and should be completed and submitted to the Assistant City Clerk.**

*Government Code 54950 (The Brown Act)* requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. The City posts meeting agendas on the City website, at City Hall as well as offsite meeting locations. The order and estimated time for agenda items are listed for reference and may be taken in any order deemed appropriate by the legislative body.

The agenda provides a general description and staff recommendation; however, the legislative bodies may take action other than what is recommended. Full staff reports are available for public review on the City's website and include all attachments and exhibits. "To Be Delivered" and "Supplemental" reports will be published as they are received. All meeting materials are also available at the meeting for public review. Contracts subject to the 10-day review period, as required by the Council Rules of Procedure, can be found on the City's website at: <http://portal.cityofsacramento.org/Clerk/Contract-Posting>

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Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Office of the City Clerk at (916) 808-7200 at least 48 hours prior to the meeting.

**Notice to Lobbyists:** When addressing the legislative bodies you must identify yourself as a lobbyist and announce the client/business/organization you are representing (*City Code 2.15.160*).

### **General Conduct for the Public Attending Council Meetings**

- Members of the public attending City Council meetings shall observe the same rules and decorum applicable to the Members and staff as noted in Chapters 3 and 4 of Council Rules of Procedure.
- Stamping of feet, whistles, yells or shouting, physically threatening conduct, and/or similar demonstrations are unacceptable public behavior and will be prohibited by the Sergeant-at-Arms.
- Lobbyists must identify themselves and the client(s), business or organization they represent before speaking to the Council
- Members of the public wishing to provide documents to the Council shall comply with Rule 7 D of the Council Rules of Procedure.

### **Members of the Public Addressing the City Council**

Purpose of Public Comment. The City provides opportunities for the public to address the Council as a whole in order to listen to the public's opinions regarding non-agendized matters within the subject matter jurisdiction of the City during Regular meetings and regarding items on the Agenda at all other meetings.

- Public comments should not be addressed to individual Members nor to City officials, but rather to the City Council as a whole regarding City business.
- While the public may speak their opinions on City business, personal attacks on Members and City officials, use of swear words, and signs or displays of disrespect for individuals are discouraged as they impede good communication with the Council.
- Consistent with the Brown Act, the public comment periods on the Agenda are not intended to be "Question and Answer" periods or conversations with the Council and City officials. The limited circumstances under which Members may respond to public comments are set out in Rule 8 D 2 of the Council Rules of Procedure.
- Members of the public with questions concerning Consent Calendar items may contact the staff person or the Council Member whose district is identified on the report prior to the meeting to reduce the need for discussion of Consent Calendar items and to better respond to the public's questions.

**Speaker Time Limits.** In the interest of facilitating the Council's conduct of the business of the City, the following time limits apply to members of the public (speakers) who wish to address the Council during the meeting.

- **Matters not on the Agenda.** Two (2) minutes per speaker.
- **Consent Calendar Items.** The Consent Calendar is considered a single item, and speakers are therefore subject to the two (2) minute time limit for the entire Consent Calendar. Consent Calendar items can be pulled at a Council member's request. Such pulled Consent Calendar items will be considered individually and up to two (2) minutes of public comment per speaker on those items will be permitted.
- **Discussion Calendar Items.** Two (2) minutes per speaker.

**Time Limits per Meeting** In addition to the above time limits per item, the total amount of time any one individual may address the Council at any meeting is eight (8) minutes.

- Each speaker shall limit his/her remarks to the specified time allotment.
- The Presiding Officer shall consistently utilize the timing system which provides speakers with notice of their remaining time to complete their comments. A countdown display of the allotted time will appear and will flash red at the end of the allotted time.
- In the further interest of time, speakers may be asked to limit their comments to new materials and not repeat what a prior speaker said. Organized groups may choose a single spokesperson who may speak for the group but with no increase in time.
- Speakers shall not concede any part of their allotted time to another speaker.
- The Presiding Officer may further limit the time allotted for public comments per speaker or in total for the orderly conduct of the meeting and such limits shall be fairly applied.



# AGENDA

**Thursday, April 14, 2016**

**6:00 p.m.**

***City Hall – 915 I Street- First Floor Council Chamber***

All items listed are heard and acted upon by the Sacramento City Council unless otherwise noted.

## **Open Session - 6:00 p.m.**

### **Roll Call**

### **Pledge of Allegiance**

### **Closed Session Report**

### **Consent Calendar Estimated Time: 5 minutes**

All items listed under the Consent Calendar are considered and acted upon by one Motion. Anyone may request an item be removed for separate consideration.

#### **1. Approval of City Council Meeting Minutes**

Report # 2016-00383

**Location:** Citywide

**Recommendation:** Pass a Motion approving the City Council Meeting Minutes dated March 15, 2016 as corrected and March 29, 2016.

**Contact:** Shirley Concolino, MMC, City Clerk, (916) 808-5442, Office of the City Clerk

#### **2. City Signatory Authority for City Properties: Proposed Expansion and Renewal of Oak Park Property and Business Improvement District (Oak Park PBID) No. 2016-01**

Report # 2016-00064

**Location:** District 5

**Recommendation:** Pass a **Resolution** designating the City Manager or designee as the signatory authority for all City-owned properties to be included in the proposed Oak Park Property and Business Improvement District (PBID).

**Contact:** Jodie Vong, Administrative Analyst, (916) 808-8243; Mark Griffin, Special Districts Manager, (916) 808-8788, Department of Finance

#### **3. Appropriation of Funds for the Citywide Pool Assessment Repair Project**

Report # 2016-00356

**Location:** Districts 3 and 5

**Recommendation:** Pass a **Resolution** appropriating \$475,000 from Special Recreation Fund (Fund 2504) to the Citywide Pool Assessment Repair Project (L19706500).

**Contact:** Shannon D. Brown, Operations Manager, (916) 808-6076, Department of Parks and Recreation

4. **Supplemental Agreement: Ramona Avenue Extension and Folsom Blvd Widening from UPRR Overhead to Route 50 Structure (T15018400)**  
Report # 2016-00345  
**Location:** Districts 3 and 6  
**Recommendation:** Pass a **Resolution** 1) authorizing the City Manager or his designee to execute Supplemental Agreement No. 12 to City Agreement No. 2004-015 with Mark Thomas & Company, Inc. in an amount not to exceed \$114,274; 2) ratifying Supplemental Agreements Nos. 10 and 11 to City Agreement No. 2004-015 with Mark Thomas and Company and; 3) resetting the City Manager's authority to issue Supplemental Agreements for City Agreement No. 2004-015.  
**Contact:** Nader Kamal, Supervising Engineer, (916) 808-7035; Nicholas Theocharides, Engineering Services Manager, (916) 808-8280, Department of Public Works
5. **Cooperative Purchase Agreement: Enterprise Vehicle Rentals**  
Report # 2016-00354  
**Location:** Citywide  
**Recommendation:** Pass a Motion 1) approving the use of the State of California cooperative purchase agreement with EAN Services, LLC, doing business as Enterprise Rent-A-Car, (Contract No. 5159905) for vehicle rentals in an amount not to exceed \$600,000 through February 28, 2021 or until the agreement is no longer available for use; and 2) authorizing the City Manager or the City Manager's designee to execute the purchases specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year.  
**Contact:** Iseña Garcia, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works
6. **Cooperative Purchase Agreement: Backhoe Loaders**  
Report # 2016-00357  
**Location:** Citywide  
**Recommendation:** Pass a Motion 1) approving the use of the Houston-Galveston Area Council (HGAC) cooperative purchase agreement with Pape Machinery, Inc. (Contract No. EM06-15) for the purchase of two replacement backhoe loaders in an amount not to exceed \$226,836; and 2) authorizing the City Manager or the City Manager's designee to execute the purchase specified above.  
**Contact:** Iseña Garcia, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

7. **Contract: 16th Avenue Sewer Replacement Project (PN: X14130608)**  
Report # 2016-00329  
**Location:** District 5  
**Recommendation:** Pass a Motion 1) approving the contract plans and specifications for the project; and 2) awarding the contract to Caggiano General Engineering, Inc., for an amount not-to-exceed \$134,502.  
**Contact:** Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Brett Grant, Supervising Engineer, (916) 808-1413; James Yorita, Project Manager, (916) 808-1911, Department of Utilities
8. **Supplemental Agreement: Department of Utilities Security Standards**  
Report # 2016-00344  
**Location:** Citywide  
**Recommendation:** Pass a Motion authorizing the City Manager or the City Manager's designee to execute Supplemental Agreement No. 1 to City Agreement No. 2016-1107 with Guidepost Solutions LLC, for additional design services in an amount not-to-exceed \$51,720, bringing the agreement's total not-to-exceed amount to \$236,340.  
**Contact:** Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Dave Hansen, Supervising Engineer, (916) 808-1421; Tim Weis, Project Manager, (916) 808-1428, Department of Utilities
9. **Agreements: Summer Violence and Crime Reduction Programs**  
Report # 2016-00390  
**Location:** Citywide  
**Recommendation:** Pass a Motion authorizing the City Manager, or the City Manager's designee, to execute agreements with Roberts Family Development Center and Re-Imagine Mack Road Foundation to administer summer youth and young adult violence and crime reduction programming for an amount not to exceed \$100,000 per agency.  
**Contact:** Dave Risley, Police Captain, North Command, (916) 808-2290; Dave Peletta, Police Captain, South Command, (916) 808-6150, Police Department

### **Public Hearings**

10. **Third Party Appeal: Valero Beer and Wine Sales (Noticed 04/01/2016)**  
Report # 2016-00355      **Estimated Time: 30 minutes**  
**Location:** 3211 Riverside Boulevard, District 4  
**Recommendation:** Conduct a public hearing and upon conclusion pass 1) a **Resolution** approving the determination that the project is exempt from California Environmental Quality Act; and 2) a **Resolution** approving a Conditional Use Permit to allow the sale of beer and wine within an existing 1,440 square foot convenience store on a 13,320 square foot (0.31 acre) site in the General Commercial (C-2) zone.  
**Contact:** Teresa Haenggi, Associate Planner, (916) 808-7554, Community Development Department

11. **Ordinance Amending Various Sections in Chapters 5.32, 17.216, 17.220 and 17.224 of the Sacramento City Code Relating to Cardrooms** (Noticed 03/11/2016; Passed for Publication 03/15/2016; Published 03/18/2016)  
Report # 2016-00284      **Estimated Time: 45 minutes**  
**Location:** Citywide  
**Recommendation:** Conduct a public hearing and upon conclusion, pass an **Ordinance** amending various sections in Chapters 5.32, 17.216, 17.220 and 17.224 of the Sacramento City Code relating to cardrooms.  
**Contact:** Brad Wasson, Revenue Manager, (916) 808-5844, Department of Finance; Joy Patterson, Principal Planner, (916) 808-5607, Community Development Department

### **Discussion Calendar**

Discussion calendar items include an oral presentation including those recommending “receive and file”.

12. **Ordinance Adding Section 15.148.920 to the Sacramento City Code Relating to Signs for Large Entertainment Venues (M16-003)** [Passed for Publication 04/05/2016; Published 04/08/2016]  
Report # 2016-00333      **Estimated Time: 30 minutes**  
**Location:** Citywide  
**Recommendation:** Pass an **Ordinance** adding Section 15.148.920 to the Sacramento City Code, Relating to Signs for Large Entertainment Venues.  
**Contact:** Sandra Yope, Senior Planner, (916) 808-7158, Community Development Department; Desmond Parrington, AICP, ESC Project Manager, (916) 808-5044, Office of the City Manager

**Public Comments-Matters Not on the Agenda** (2 minutes per speaker)

**Council Comments-Ideas, Questions and AB1234 Reports**

**Adjournment**

**Meeting Date:** 4/14/2016

**Report Type:** Consent

**Report ID:** 2016-00383

**Title:** Approval of City Council Meeting Minutes

**Location:** Citywide

**Recommendation:** Pass a Motion approving the City Council Meeting Minutes dated March 15, 2016 as corrected and March 29, 2016.

**Contact:** Shirley Concolino, MMC, City Clerk, (916) 808-5442, Office of the City Clerk

**Presenter:** None

**Department:** City Clerk

**Division:** City Clerk

**Dept ID:** 04001011

**Attachments:**

1-Description/Analysis

2-March 15, 2016 DRAFT Council Minutes (corrected)

3-March 29, 2016 DRAFT Council Minutes

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**Approvals/Acknowledgements**

Department Director or Designee: Shirley Concolino – 3/31/2016 5:27:48 PM



## **Description/Analysis**

**Issue Detail:** It is best practice for the legislative body to approve the minutes for each meeting.

**Policy Considerations:** Per the City Charter, the City Council shall require the City Clerk to keep a permanent record of its proceedings showing all action considered and taken, motions and records, the text of ordinances and resolutions introduced or adopted and all amendments thereto proposed or adopted, and the vote of each councilmember regarding any matter before the Council or any committee thereof.

**Economic Impacts:** None.

**Environmental Considerations:** None.

**Sustainability:** None.

**Commission/Committee Action:** None.

**Rationale for Recommendation:** After each Council meeting, the City Clerk composes the DRAFT Minutes noting the action taken by the legislative body. Those DRAFT Minutes are presented to the Council for its approval as a permanent record of the meeting actions.

**Financial Considerations:** None.

**Local Business Enterprise (LBE):** None.

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*City of*  
**SACRAMENTO**

# **DRAFT Minutes**

**City Council  
Financing Authority  
Housing Authority  
Public Financing Authority  
Redevelopment Agency  
Successor Agency**

**City Hall-Council Chamber  
915 I Street, 1<sup>st</sup> Floor**

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# DRAFT MINUTES

**Tuesday, March 15, 2016**

**6:00 p.m.**

## ***City Hall – 915 I Street- First Floor Council Chamber***

All items listed are heard and acted upon by the Sacramento City Council unless otherwise noted.

### **Open Session - 6:00 p.m.**

Regular session called to order by Vice Mayor Rick Jennings at 6:02 p.m. Tuesday, March 15, 2016 at the Sacramento City Hall Council Chamber.

**Members Present:** Angelique Ashby, Larry Carr, Eric Guerra, Steve Hansen, Jeff Harris, Rick Jennings, Jay Schenirer, and Allen Warren

**Absent:** Mayor Kevin Johnson

**Pledge of Allegiance**— led by Center High AVID students

### **Consent Calendar Estimated Time: 5 minutes**

**Action:** Moved/Seconded: Member Steve Hansen / Member Eric Guerra

**Yes:** Members Angelique Ashby, Larry Carr, Eric Guerra, Steve Hansen, Jeff Harris, Rick Jennings, Jay Schenirer, and Allen Warren

**Absent:** Mayor Kevin Johnson

A motion **passed** to adopt the Consent Calendar in one motion except as indicated at each item.

#### **1. Approval of City Council Meeting Minutes**

Report # 2016-00253

**Location:** Citywide

**Action:** Passed **Motion No. 2016-0070** approving the City Council Meeting Minutes dated March 1, 2016.

**Contact:** Shirley Concolino, MMC, City Clerk, (916) 808-5442, Office of the City Clerk

2. **Contract to Purchase Artwork for the Golden 1 Center**

Report # 2016-00310

**Location:** District 4

**Action:** Public comment heard from Robert Coplin; passed **Motion No. 2016-0071** authorizing the City Manager or City Manager's designee to: 1) enter into an agreement with Bryan Valenzuela for the fabrication and installation of artwork at the Golden 1 Center in an amount not-to-exceed \$315,000; and 2) enter into minor amendments to the aforementioned agreement subject to approval as to form by the City Attorney or his designee.

**Contact:** Shelly Willis, Executive Director, (916) 808-3971, Sacramento Metropolitan Arts Commission; Jody Ulich, Director, (916) 808-5105, Convention & Cultural Services

3. **(City Council/Redevelopment Agency Successor Agency/Housing Authority) Transfer of Unexpended Redevelopment Bond Fund and Approval of Master Excess Bond Expenditure Agreement and Master Excess Housing Bond Expenditure Agreement** (Published for 10-Day Review 03/03/2016)

Report # 2016-00268

**Location:** Citywide

**Action:** Public comment heard from Mac Worthy; passed **Redevelopment Agency Successor Agency Resolution 2016-0003** authorizing: a) transfer of \$11,665,699 in unexpended Redevelopment (RDA) Bond Proceeds to the City to spend in a manner consistent with the bond covenants and for redevelopment purposes; b) the City Manager or his designee to execute the Master Excess Bond Expenditure Agreement for the category of projects; c) transfer \$3,015,400 in unexpended RDA housing bond funds to the Housing Authority of the City of Sacramento (Housing Authority) as the Housing Successor, and d) execute the Master Excess Housing Bond Expenditure Agreement with the Housing Authority; 2) **City Council Resolution No. 2016-0080** authorizing the City Manager or his designee to: a) accept the transfer of \$11,665,699 in unexpended RDA Bond Proceeds; b) execute the Master Excess Bond Expenditure Agreement; c) create a capital projects fund for each redevelopment bond issue; d) transfer RDA bond proceeds allocated to Lowell Street Sidewalk (T15036300) and 14th Avenue Extension(T15098600) projects from Economic Development Fund (2031) to the 2006 Army Depot Taxable and Tax-exempt funds; e) transfer RDA bond proceeds allocated to Powerhouse Science Center (E18000400) from the Externally Funded Projects Fund (Fund 2703) to the 2006 River District Taxable Fund; f) create 2002 Master Lease Downtown Tax-Exempt, 2005 TAB Downtown CIP Tax Exempt, and 2005 TAB Downtown CIP Taxable funds to transfer RDA bond proceeds allocated to Cesar Chavez Plaza (L19207100); and 3) **Housing Authority of the City of Sacramento Resolution No. 2016-0008** authorizing: a) the Executive Director to execute the Master Excess Housing Bond Expenditure Agreement, and b) accept the transfer of \$3,015,400 in RDA housing bond funds as the Housing Successor.

**Contact:** Leslie Fritzsche, Senior Project Manager, (916) 808-5450, Economic Development Department



4. **(Redevelopment Agency Successor Agency) Purchase and Sale Agreement for Redevelopment Agency Successor Agency Owned Property at 2300-2308 Del Paso Boulevard and 775 Darina Avenue**  
Report # 2016-00308  
**Location:** District 2  
**Action:** Public comment heard from Mac Worthy; passed **Redevelopment Agency Successor Agency Motion No. 2016-0002** approving a Purchase and Sale Agreement with Petrovich Development Company, Inc. for RASA owned property at 2300-2308 Del Paso Boulevard and 775 Darina Avenue.  
**Contact:** Leslie Fritzsche, Senior Project Manager, (916) 808-5450, Economic Development Department
5. **(Pass for Publication) Ordinance Amending Various Sections in Chapters 5.32, 17.216, 17.220 and 17.224 of the Sacramento City Code Relating to Cardrooms**  
Report # 2016-00267  
**Location:** Citywide  
**Action:** 1) Reviewed an ordinance amending various sections in Chapters 5.32, 17.216, 17.220 and 17.224 of the Sacramento City Code relating to cardrooms; and 2) pass for publication the ordinance title as required by Sacramento City Charter 32(c) to be considered on April 14, 2016.  
**Contact:** Brad Wasson, Revenue Manager, (916) 808-5844, Department of Finance; Joy Patterson, Principal Planner, (916) 808-5607, Community Development Department
6. **Contract: Scott X3 Self Contained Breathing Apparatus (SCBA) for the Sacramento Fire Department** (Published for 10-Day Review 03/03/2016)  
Report # 2016-00285  
**Location:** Citywide  
**Action:** Passed **Motion No. 2016-0072** awarding a contract through December 31, 2017, with the possibility of two (2) one-year extension periods under the same terms and conditions, if agreed upon by both parties to Municipal Emergency Services (MES) for the purchase of Scott X3 Self Contained Breathing Apparatus (SCBA) Air Paks, Cylinders, Epic 3 Voice Amplifiers and AV3000HT Face pieces in a total amount not to exceed \$2,887,325.  
**Contact:** Ronald Potter, Assistant Chief, (916) 808-2250; Christopher Costamagna, Deputy Fire Chief, (916) 808-1604, Fire Department

7. **Agreement: Participation in the Rate Range Intergovernmental Transfer (IGT) Program**  
Report # 2016-00291  
**Location:** Citywide  
**Action:** Passed **Motion No. 2016-0073:** 1) authorizing the City Manager, or his designee, to execute a) the Rate Range Intergovernmental Transfer (IGT) Agreement with the California State Department of Health Care Services (DHCS); b) the Health Plan-Provider Agreement(s) with participating Medi-Cal Managed Care Plan Provider(s); and c) the IGT Assessment Fee Agreement with DHCS; 2) authorizing transfer of funds up to \$585,484 from the Fire Department operating budget to DHCS and accept a reimbursement for Medi-Cal services of \$956,290, of which \$585,484 will reimburse the Fire Department operating budget; and 3) authorizing designation of the additional federal reimbursement of \$370,806 to offset costs of providing Emergency Medical Services (EMS).  
**Contact:** Walt White, Fire Chief, (916) 808-1601, Fire Department
8. **Compensation Adjustment for the City Clerk Position**  
Report # 2016-00340  
**Location:** Citywide  
**Action:** Passed 1) **Resolution No. 2016-0081** changing the salary schedule for the City Clerk; and 2) **Motion No. 2016-0091** increasing the City Clerk's annual salary from \$172,331 to \$190,057 effective March 19, 2016.  
**Contact:** Melissa Chaney, Human Resources Director, (916) 808-7173, Human Resources
9. **Establishing, Re-establishing, and Reducing Speed Limits on Various Streets and Rescinding Resolution No. 2015-0306**  
Report # 2016-00124  
**Location:** Citywide  
**Action:** Public comment heard from Gavin Baker, passed **Resolution No. 2016-0082:** 1) establishing, re-establishing, and reducing speed limits on various streets; and 2) rescinding Resolution No. 2015-0306.  
**Contact:** Zarah Lacson, Assistant Civil Engineer (916) 808-8494; Hector Barron, City Traffic Engineer (916) 808-2669, Department of Public Works
10. **Third Amendment to Revocable Permit Agreement for Telecommunications Equipment at the Sacramento Convention Center**  
Report # 2016-00191  
**Location:** 1030 15th Street, District 3  
**Action:** Passed **Resolution No. 2016-0083** authorizing the City Manager or the City Manager's designee to execute the Third Amendment to Revocable Permit Agreement for the Sacramento Convention Center (City Agreement No. 96-011), and any other documents necessary to implement the amendment, with New Cingular Wireless PCS, LLC for five years with four five-year renewal options for the operation and maintenance of telecommunications equipment.  
**Contact:** Ken Hancock, Real Property Agent III, (916) 808-5752, Department of Public Works

- 11. Eighth Amendment to Revocable Permit Agreement for Telecommunications Equipment at the Riverside Water Treatment Plant**  
Report # 2016-00192  
**Location:** 3530 Riverside Boulevard, District 4  
**Action:** Passed **Resolution No. 2016-0084** authorizing the City Manager or the City Manager's designee to execute the Eighth Amendment to Revocable Permit Agreement for the Riverside Water Treatment Plant (City Agreement No. 94-127), and any other documents necessary to implement the amendment, with New Cingular Wireless PCS, LLC for five years with four five-year renewal options for the operation and maintenance of telecommunications equipment.  
**Contact:** Ken Hancock, Real Property Agent III, (916) 808-5752, Department of Public Works
- 12. Fifth Amendment to Revocable Permit Agreement for Telecommunications Equipment at the Freeport Water Tower**  
Report # 2016-00193  
**Location:** 7788 Freeport Boulevard, District 7  
**Action:** Passed **Resolution No. 2016-0085** authorizing the City Manager or the City Manager's designee to execute the Fifth Amendment to Revocable Permit Agreement for Freeport Water Tower (City Agreement No. 91-041), and any other documents necessary to implement the amendment, with New Cingular Wireless PCS, LLC for five years with four five-year renewal options for the operation and maintenance of telecommunications equipment.  
**Contact:** Ken Hancock, Real Property Agent III, (916) 808-5752, Department of Public Works
- 13. Seventh Amendment to Revocable Permit Agreement for Telecommunications Equipment at the City College Reservoir**  
Report # 2016-00194  
**Location:** 3581 23rd Street, District 5  
**Action:** Passed **Resolution No. 2016-0086** authorizing the City Manager or the City Manager's designee to execute the Seventh Amendment to Revocable Permit Agreement for the City College Reservoir (City Agreement No. 91-010), and any other documents necessary to implement the amendment, with New Cingular Wireless PCS, LLC for five years with four five-year renewal options for the operation and maintenance of telecommunications equipment.  
**Contact:** Ken Hancock, Real Property Agent III, (916) 808-5752, Department of Public Works

14. **Eighth Amendment to Revocable Permit Agreement for Telecommunications Equipment at the Alhambra Reservoir**  
Report # 2016-00195  
**Location:** 3230 J Street, District 3  
**Action:** Passed **Resolution No. 2016-0087** authorizing the City Manager or the City Manager's designee to execute the Eighth Amendment to Revocable Permit Agreement for the Alhambra Reservoir (City Agreement No. 91-009), and any other documents necessary to implement the amendment, with New Cingular Wireless PCS, LLC for five years with four five-year renewal options for the operation and maintenance of telecommunications equipment.  
**Contact:** Ken Hancock, Real Property Agent III, (916) 808-5752, Department of Public Works
15. **Vision Zero Sacramento - Eliminate Traffic Deaths in Sacramento**  
Report # 2016-00250  
**Location:** Citywide  
**Action:** Public comment heard from Kirin Kumar, Gavin Baker, passed **Motion No. 2016-0074** directing the City Manager to 1) develop a Vision Zero Action Plan toward eliminating traffic deaths in Sacramento; and 2) establish a Vision Zero Task Force to assist in developing and implementing the Vision Zero Action Plan.  
**Contact:** Hector Barron, City Traffic Engineer, (916) 808-2669, Department of Public Works
16. **Application and Related Matters for a CalRecycle Household Hazardous Waste Grant (Y14000900)**  
Report # 2016-00273  
**Location:** Citywide  
**Action:** Passed **Resolution No. 2016-0088** authorizing the City Manager or the City Manager's designee to: 1) apply for the CalRecycle Household Hazardous Waste Grant – Cycle 27 in an amount not to exceed \$50,000; if the grant is awarded, 2) execute the grant agreement and all related documents; and 3) establish revenue and expenditure budgets in an amount not to exceed \$50,000 in the Solid Waste Repair and Rehabilitation Project (Y14000900).  
**Contact:** Terrance Davis, Integrated Waste General Manager, (916) 808-4949, Department of Public Works
17. **Contract: Vehicle Equipment and Installation Services (Two-Thirds Vote Required)**  
Report # 2016-00277  
**Location:** Citywide  
**Action:** Passed **Resolution No. 2016-0089:** 1) suspending competitive bidding in the best interests of the City for the purchase of vehicle equipment and installation services; and 2) authorizing the City Manager or the City Manager's designee to execute a one-year contract with four one-year renewal options to Rocky Mountain Window Tint in an amount not to exceed \$300,900 for the potential five-year term provided that sufficient funds are available in the budget adopted for the applicable fiscal year.  
**Contact:** Iseña Garcia, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

- 18. Contract: Original Equipment Manufacturer Parts and Services (Two-Thirds Vote Required)**  
Report # 2016-00280  
**Location:** Citywide  
**Action:** Passed **Resolution No. 2016-0090:** 1) suspending competitive bidding in the best interests of the City for the purchase of New Way Refuse, and Wayne Curbtender Original Equipment Manufacturer (OEM) parts and services; and 2) authorizing the City Manager or the City Manager's designee to execute a one-year contract with four one-year renewal options to Ray Gaskin Service for the purchase of New Way Refuse, and Wayne Curbtender OEM parts and services in an amount not to exceed \$300,000 for the potential five-year term provided that sufficient funds are available in the budget adopted for the applicable fiscal year.  
**Contact:** Iseña Garcia, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works
- 19. Supplemental Agreement: Meadowview Road Streetscape (T15145500)**  
Report # 2016-00283  
**Location:** District 8  
**Action:** Passed **Resolution No. 2016-0091:** 1) authorizing the City Manager to execute Supplemental Agreement No. 3 to City Agreement No. C2015-0010 with Bennett Engineering Services in an amount not to exceed \$89,310; 2) transferring \$100,000 (Fund 2001) from the State and Federal Grant Match Project (T15007200) to the Meadowview Road Streetscape Project (T15145500); and 3) resetting the City Manager's authority to issue supplemental agreements for City Agreement No. 2015-010.  
**Contact:** Cecilyn Foote, Associate Civil Engineer, (916) 808-6843; Nicholas Theocharides, Engineering Services Manager, (916) 808-5065, Department of Public Works
- 20. HSIP Hybrid Pedestrian Signals Project (T15145100) Appropriation of Funds**  
Report # 2016-00287  
**Location:** Citywide  
**Action:** Passed **Resolution No. 2016-0092:** 1) approving the transfer of funds in the amount of \$70,795 (Fund 2025) from the Pedestrian Safety Program (S15120500) to the HSIP Hybrid Pedestrian Signals Project (T15145100); and 2) appropriating \$55,000 (Fund 3703) in federal funding to the HSIP Hybrid Pedestrian Signals Project (T15145100).  
**Contact:** Kaleb Haile, Senior Engineer (916) 808-7020; Nicholas Theocharides, Engineering Services Manager, (916) 808-8280, Department of Public Works



- 21. Agreement: Exclusive Right to Negotiate With North Natomas Town Center LLC**  
Report # 2016-00312  
**Location:** Northwest corner of Del Paso Road and Via Ingoglia, Council District 1  
**Action:** Passed **Motion No. 2016-0075** authorizing the City Manager or the City Manager's designee to execute an Exclusive Right to Negotiate (ERN) agreement with North Natomas Town Center LLC (Developer) for the sale of a portion of Assessor Parcel Number 225-0040-089 that is surplus park land.  
**Contact:** Bill Sinclair, Facilities and Real Property Superintendent, (916) 808-1905, Department of Public Works; Mary de Beauvieres, Principal Planner, (916) 808-8722, Department of Parks and Recreation
- 22. Supplemental Agreement: Construction Management Software Services for the Water Treatment Plants Rehabilitation Project (Z14006000)**  
Report # 2016-00237  
**Location:** Districts 3 and 6  
**Action:** Passed **Motion No. 2016-0076** authorizing the City Manager, or the City Manager's designee, to execute Supplemental Agreement No. 1 to City Agreement No. 2013-0416 with Bentley Systems, Inc., extending the services for one year for \$31,924, bringing the agreement's total not-to-exceed amount to \$117,815.  
**Contact:** Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Michelle Carrey, Supervising Engineer, (916) 808-1438; Ian Pietz, Senior Engineer, (916) 808-1910, Department of Utilities
- 23. Supplemental Agreement: On-Call Plan Check Services**  
Report # 2016-00262  
**Location:** Citywide  
**Action:** Passed **Motion No. 2016-0077** authorizing the City Manager, or the City Manager's designee, to execute Supplemental Agreement No. 2 to City Agreement No. 2014-1002 with MRPE, Inc. for additional on-call plan check services in an amount not-to-exceed \$70,000, bringing the agreement's total not-to-exceed amount to \$267,240.  
**Contact:** Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Tony Bertrand, Supervising Engineer, (916) 808-1461, Department of Utilities
- 24. Contract: R/S Alley 2nd to 4th, F Street 18-20th St. Sewer Replacement Project**  
Report # 2016-00281  
**Location:** District 4  
**Action:** Passed **Motion No. 2016-0078:** 1) approving the contract plans and specifications for the R/S Alley 2nd to 4th St., F Street 18th-20th Street Sewer Replacement Project; and 2) awarding the contract to C.E. Cox General Engineering for an amount not-to-exceed \$277,642.  
**Contact:** Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Brett Grant, Supervising Engineer, (916) 808-1413; Mark Elliott, Project Manager, (916) 808-8894, Department of Utilities

## **Public Hearings**

### **25. Renewal and Expansion of the Midtown Sacramento Property and Business Improvement District No. 2016-02** (Noticed 01/27/2016)

Report # 2016-00109      **Estimated Time: 5 minutes** (Actual time: 7 minutes)

**Location:** District 4

**Action:** Moved/Seconded: Member Steve Hansen / Member Jeff Harris

**Yes:** Members Angelique Ashby, Larry Carr, Eric Guerra, Steve Hansen, Jeff Harris, Rick Jennings, Jay Schenirer, and Allen Warren

**Absent:** Mayor Kevin Johnson

Conducted a public hearing with public comment heard from Mike Wiley, Mac Worthy, John Hodgson, and upon conclusion passed **Motion No. 2016-0079** directing the City Clerk to: 1) tabulate the assessment ballots submitted and not withdrawn before the hearing is closed; and 2) bring back as a Consent item on March 22, 2016, with the tabulation results.

**Contact:** Sini Makasini, Administrative Analyst, (916) 808-7967; Mark Griffin, Special Districts Manager, (916) 808-8788, Department of Finance

### **26. Emergency Ordinance Extending the Interim Ordinance Imposing a Moratorium on Cannabis Cultivation [Four-Fifths Vote Required]** (Noticed 03/04/2016; To Be Published in its Entirety Upon Approval)

Report # 2016-00297      **Estimated Time: 35 minutes** (Actual time: 8 minutes)

**Location:** Citywide

**Action:** Moved/Seconded: Member Jay Schenirer / Member Steve Hansen

**Yes:** Members Angelique Ashby, Larry Carr, Eric Guerra, Steve Hansen, Jeff Harris, Rick Jennings, Jay Schenirer, and Allen Warren

**Absent:** Mayor Kevin Johnson

Conducted a public hearing with public comment heard from Mac Worthy, and upon conclusion passed **Emergency Ordinance No. 2016-0013 as amended** extending the moratorium on cannabis cultivation to September 18, 2016.

**Contact:** Brad Wasson, Revenue Manager, (916) 808-5844, Department of Finance; Joy Patterson, Principal Planner, (916) 808-5607, Community Development Department

### **Information Report**

This item is for information only and is not eligible for action at this time.

#### **27. Notification of Final Map Approval for the Patterson Subdivision (P05-105)**

Report # 2016-00346

**Location:** District 2

**Action:** Received and filed.

**Contact:** Jerry Lovato, Senior Engineering Technician, (916) 808-7918, Department of Public Works

#### **28. Notification of Final Map Approval for The Creamery - Phase 1 (P13-043)**

Report # 2016-00347

**Location:** District 4

**Action:** Received and filed.

**Contact:** Jerry Lovato, Senior Engineering Technician, (916) 808-7918, Department of Public Works

### **Public Comments-Matters Not on the Agenda** (2 minutes per speaker)

- |                    |                      |
|--------------------|----------------------|
| 1. Homeless        | f. Pastor Gainsbrugh |
| a. Jrmar Jefferson | g. Wanda             |
| b. David Andre     | h. Jeffrey Nelson    |
| c. Lorraine Brown  | i. Robert Coplin     |
| d. Trina Allen     | j. Laurie Blazich    |
| e. Anyon Douglas   | k. Mac Worthy        |

### **Council Comments-Ideas, Questions and Meeting/Conference Reports**

#### **1. Information Requests**

None.

#### **2. Board/Commission Appointments**

- a. Parks and Recreation Commission
  - 1. Jag Bains
- b. City and County Bicycle Advisory Committee
  - 1. Christine Casey
  - 2. Christian Farland
- c. Ethel Macleod Hart Trust Fund Advisory Committee
  - 1. Anita Perez-Otero
- d. Housing Code Advisory and Appeals Board
  - 1. Kevin McKinley
  - 2. Barry Chamberlain

**Adjourned** – 7:19 p.m. in memory of Angie Louie

## CITY COUNCIL

Kevin Johnson, Mayor  
Angelique Ashby, District 1  
Allen Warren, District 2  
Jeff Harris, District 3  
Steve Hansen, District 4  
Jay Schenirer, District 5  
Eric Guerra, District 6  
Rick Jennings, II, Vice Mayor, District 7  
Larry Carr, Mayor Pro Tem, District 8

## CHARTER OFFICERS

James Sanchez, City Attorney  
Shirley Concolino, City Clerk  
John F. Shirey, City Manager  
John Colville, Interim City Treasurer

*City of*  
**SACRAMENTO**

# **DRAFT Minutes**

**City Council  
Financing Authority  
Housing Authority  
Public Financing Authority  
Redevelopment Agency  
Successor Agency**

**City Hall-Council Chamber  
915 I Street, 1<sup>st</sup> Floor**

**Published by the Office of the City Clerk  
(916) 808-5163**

**Tuesday, March 29, 2016  
6:00 p.m.**

### **NOTICE TO THE PUBLIC**

You are welcomed and encouraged to participate in this meeting. Public comment is taken on items listed on the agenda when they are called. Public Comment on items not listed on the agenda will be heard as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select 3-5 speakers to represent the opinion of the group. **Speaker slips are available on the City's Website and located in racks inside the chamber and should be completed and submitted to the Assistant City Clerk.**

*Government Code 54950 (The Brown Act)* requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. The City posts meeting agendas on the City website, at City Hall as well as offsite meeting locations. The order and estimated time for agenda items are listed for reference and may be taken in any order deemed appropriate by the legislative body.

The agenda provides a general description and staff recommendation; however, the legislative bodies may take action other than what is recommended. Full staff reports are available for public review on the City's website and include all attachments and exhibits. "To Be Delivered" and "Supplemental" reports will be published as they are received. All meeting materials are also available at the meeting for public review. Contracts subject to the 10-day review period, as required by the Council Rules of Procedure, can be found on the City's website at: <http://portal.cityofsacramento.org/Clerk/Contract-Posting>

City Council meetings are broadcast live on Metrocable, Channel 14, AT&T Broadband Cable System and rebroadcast on the Saturday following the date of the meeting. Live video streams and indexed archives of meetings are available via the internet. Visit the City's official website at [http://sacramento.granicus.com/ViewPublisher.php?view\\_id=21](http://sacramento.granicus.com/ViewPublisher.php?view_id=21).

Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Office of the City Clerk at (916) 808-7200 at least 48 hours prior to the meeting.

**Notice to Lobbyists:** When addressing the legislative bodies you must identify yourself as a lobbyist and announce the client/business/organization you are representing (*City Code 2.15.160*).

### General Conduct for the Public Attending Council Meetings

- Members of the public attending City Council meetings shall observe the same rules and decorum applicable to the Members and staff as noted in Chapters 3 and 4 of Council Rules of Procedure.
- Stamping of feet, whistles, yells or shouting, physically threatening conduct, and/or similar demonstrations are unacceptable public behavior and will be prohibited by the Sergeant-at-Arms.
- Lobbyists must identify themselves and the client(s), business or organization they represent before speaking to the Council
- Members of the public wishing to provide documents to the Council shall comply with Rule 7 D of the Council Rules of Procedure.

### Members of the Public Addressing the City Council

Purpose of Public Comment. The City provides opportunities for the public to address the Council as a whole in order to listen to the public's opinions regarding non-agendized matters within the subject matter jurisdiction of the City during Regular meetings and regarding items on the Agenda at all other meetings.

- Public comments should not be addressed to individual Members nor to City officials, but rather to the City Council as a whole regarding City business.
- While the public may speak their opinions on City business, personal attacks on Members and City officials, use of swear words, and signs or displays of disrespect for individuals are discouraged as they impede good communication with the Council.
- Consistent with the Brown Act, the public comment periods on the Agenda are not intended to be "Question and Answer" periods or conversations with the Council and City officials. The limited circumstances under which Members may respond to public comments are set out in Rule 8 D 2 of the Council Rules of Procedure.
- Members of the public with questions concerning Consent Calendar items may contact the staff person or the Council Member whose district is identified on the report prior to the meeting to reduce the need for discussion of Consent Calendar items and to better respond to the public's questions.

**Speaker Time Limits.** In the interest of facilitating the Council's conduct of the business of the City, the following time limits apply to members of the public (speakers) who wish to address the Council during the meeting.

- **Matters not on the Agenda.** Two (2) minutes per speaker.
- **Consent Calendar Items.** The Consent Calendar is considered a single item, and speakers are therefore subject to the two (2) minute time limit for the entire Consent Calendar. Consent Calendar items can be pulled at a Council member's request. Such pulled Consent Calendar items will be considered individually and up to two (2) minutes of public comment per speaker on those items will be permitted.
- **Discussion Calendar Items.** Two (2) minutes per speaker.

**Time Limits per Meeting** In addition to the above time limits per item, the total amount of time any one individual may address the Council at any meeting is eight (8) minutes.

- Each speaker shall limit his/her remarks to the specified time allotment.
- The Presiding Officer shall consistently utilize the timing system which provides speakers with notice of their remaining time to complete their comments. A countdown display of the allotted time will appear and will flash red at the end of the allotted time.
- In the further interest of time, speakers may be asked to limit their comments to new materials and not repeat what a prior speaker said. Organized groups may choose a single spokesperson who may speak for the group but with no increase in time.
- Speakers shall not concede any part of their allotted time to another speaker.
- The Presiding Officer may further limit the time allotted for public comments per speaker or in total for the orderly conduct of the meeting and such limits shall be fairly applied.



# DRAFT MINUTES

**Tuesday, March 29, 2016**

**6:00 p.m.**

## ***City Hall – 915 I Street- First Floor Council Chamber***

All items listed are heard and acted upon by the Sacramento City Council unless otherwise noted.

### **Open Session - 6:00 p.m.**

Regular session called to order by Mayor Kevin Johnson at 6:00 p.m. Tuesday, March 29, 2016 at the Sacramento City Hall Council Chamber.

**Members Present:** Angelique Ashby (departed 8:45), Larry Carr (departed 8:50), Eric Guerra, Steve Hansen (departed 9:10), Jeff Harris, Rick Jennings, Jay Schenirer, Allen Warren, and Mayor Kevin Johnson (departed 8:50).

**Pledge of Allegiance**— led by Member Jeff Harris.

**Closed Session Report** – None.

### **Special Presentations/General Communications**

#### **A. Recognizing April 1-9 2016 as Creek Week**

**Action:** Resolution presented by Member Jeff Harris

### **Consent Calendar Estimated Time: 5 minutes**

**Action:** Moved/Seconded: Member Jay Schenirer / Member Eric Guerra

**Yes:** Members Angelique Ashby, Larry Carr, Eric Guerra, Steve Hansen, Jeff Harris, Rick Jennings, Jay Schenirer, Allen Warren, and Mayor Kevin Johnson.

A motion **passed** to adopt the Consent Calendar in one motion except as indicated at each item.

#### **1. Approval of City Council Meeting Minutes**

Report # 2016-00255

**Location:** Citywide

**Action:** Passed **Motion No. 2016-0084** approving the City Council Meeting Minutes dated March 15 and March 17, 2016.

**Contact:** Shirley Concolino, MMC, City Clerk, (916) 808-5442, Office of the City Clerk

**2. Confirmation of Board and Commission Appointments**

Report # 2016-00387

**Location:** Citywide

**Action:** Passed **Motion No. 2016-0085** confirming board/commission appointment(s) to the: 1) Parks and Recreation Commission – Jag Bains (Seat A); 2) City and County Bicycle Advisory Committee – Christine Casey (Seat C) and Christian Farland (Seat F); 3) Ethel Macleod Hart Trust Fund Advisory Committee – Anita Perez-Otero (Seat D); and 4) Housing Code Advisory and Appeals Board – Kevin McKinley (Seat D) and Barry Chamberlain (Seat E).  
**Contact:** Wendy Klock-Johnson, Assistant City Clerk, (916) 808-7509; Phoebe Schueler, Senior Deputy City Clerk, (916) 808-7605, Office of the City Clerk

**3. February 2016 Monthly Investment Transactions Report**

Report # 2016-00324

**Location:** Citywide

**Action:** Public comment heard from Mac Worthy; received and filed.

**Contact:** Bob Tokunaga, Chief Investment Officer, (916) 808-5340, Office of the City Treasurer

**4. First Amendments to Digital Billboard Lease Agreements with Clear Channel Outdoor**

Report # 2016-00339

**Location:** Citywide

**Action:** Passed **Motion No. 2016-0086** authorizing the City Manager or the City Manager's designee to execute First Amendments to four Digital Billboard Leases (City Agreements 2010-0525, 2010-0526, 2010-0527, and 2010-0528) with Clear Channel Outdoor.

**Contact:** Melissa Anguiano, Economic Development Manager, (916) 808-5864, Economic Development Department

**5. Agreement Regarding the Installation and Maintenance of Landscaping Along Certain Roadways Serving the Delta Shores Project**

Report # 2016-00338

**Location:** District 7

**Action:** Passed **Motion No. 2016-0087:** 1) approving an agreement with M&H VI Projects, LLC concerning the installation and maintenance of landscaping along certain roadways in the Delta Shores Project; and 2) authorizing the City Manager or his designee to sign the agreement on the City's behalf.

**Contact:** Mark Griffin, Special Districts Manager, (916) 808-8788, Department of Finance; Jerry Way, Director of Public Works, (916) 808-6381, Department of Public Works

- 6. Ordinance Amending Sacramento City Code Section 3.60.190, Relating to Apprentices** (Passed for Publication 03/22/2016; Published 03/25/2016)  
Report # 2016-00351  
**Location:** Citywide  
**Action:** Public comment heard from Debra Desrosiers; passed **Ordinance No. 2016-0014** amending section 3.60.190 of the Sacramento City Code, relating to apprentices.  
**Contact:** Sheri Smith, Program Specialist, (916) 808-7204; Mark Griffin, Special Districts Manager, (916) 808-8788, Department of Finance
- 7. Change Order No. 1: Mae Fong Park Landscape Improvements**  
Report # 2016-00325  
**Location:** District 6  
**Action:** Passed **Motion No. 2016-0088:** 1) authorizing the City Manager, or City Manager's designee, to execute Changer Order No. 1 for Mae Fong Park Landscape Improvements in the amount of \$6,845 for City Contract No. B16190021009 between the City and Saenz Landscape Construction; and 2) re-setting the City Manager's authority.  
**Contact:** C. Gary Hyden, Park Planning and Development Manager, (916) 808-1949, Department of Parks and Recreation
- 8. Establish Capital Improvement Project for Glenn Hall Park Improvements**  
Report # 2016-00326  
**Location:** District 3  
**Action:** Passed **Resolution No. 2016-0100:** 1) establishing a new Capital Improvement Project (CIP) for Glenn Hall Park Improvements as (L19211000); and 2) appropriating \$125,000 from Park Development Impact Fees (Fund 3204) for L19211000.  
**Contact:** Gary Hyden, Park Planning and Development Manager, (916) 808-1949; Tin-Wah Wong, Associate Landscape Architect, (916) 808-5540, Department of Parks and Recreation
- 9. Rejection of Bid for Sutter's Landing 28th & B Skate Park Improvements Project and Suspension of Competitive Bidding (Two-Thirds Vote Required)**  
Report # 2016-00368  
**Location:** District 3  
**Action:** Passed **Motion No. 2016-0089:** 1) rejecting the bid for Sutter's Landing 28th & B Skate Park Improvements Project; 2) suspending competitive bidding; and 3) authorizing the City Manager or his designee to negotiate the construction contract for the project with the one bidder.  
**Contact:** C. Gary Hyden, Park Planning and Development Manager, (916) 808-1949, Department of Parks and Recreation

**10. Rejection of Bids for Midtown Street Lighting Project (T15155201)**

Report # 2016-00323

**Location:** District 4

**Action:** Passed **Resolution No. 2016-0101** rejecting bids for the Midtown Street Lighting Project (T15155201).

**Contact:** John Matoba, Project Manager, (916) 808-7891; Nicholas Theocharides, Engineering Services Manager, (916) 808-5065, Department of Public Works

**11. Agreement: Sacramento City College Pedestrian/Bicycle Overcrossing Project (T15065700)**

Report # 2016-00327

**Location:** District 5

**Action:** Passed **Resolution No. 2016-0102:** 1) authorizing the City Manager or his designee to execute an agreement with Psomas for construction management services for an amount not to exceed \$206,314; 2) transferring \$205,719 (Fund 2013) from the State-Federal Grant Match Project (T15007200) to the Sacramento City College Pedestrian/Bicycle Overcrossing Project (T15065700) and; 3) transferring \$69,281 (Fund 2025) from the Pedestrian Improvements Program (T15100400) to the Sacramento City College Pedestrian/Bicycle Overcrossing Project (T15065700).

**Contact:** Ofelia Avalos, Associate Civil Engineer, (916) 808-5515; Nicholas Theocharides, Engineering Services Manager, (916) 808-5065, Department of Public Works

**12. Contract: Department of Utilities Facilities Improvement and Rehabilitation Project**

Report # 2016-00142

**Location:** Corp Yard, District 5

**Action:** Passed **Resolution No. 2016-0103:** 1) approving the contract plans and specifications, and awarding the contract to Kaler Dobler Construction in an amount not-to-exceed \$318,329; and 2) approving establishment of the Department of Utilities (DOU) Facilities Improvement and Rehabilitation Project (Z14140600) and related budget transfer.

**Contact:** Michael Malone, Operations Manager, (916) 808-6226; Ken Swartz, Program Specialist, (916) 808-6276, Department of Utilities

**Discussion Calendar**

Discussion calendar items include an oral presentation including those recommending “receive and file”.

**13. Fight the Bite! Mosquito Control Services Report from Sacramento-Yolo Mosquito & Vector Control District [Oral Report] (Continued from 03/08/2016)**

Report # 2016-00290 **Estimated Time: 10 minutes** (Actual Time: 15 minutes)

**Location:** Citywide

**Action:** Public comment heard from Steven Bourasa; received and filed.

**Contact:** Luz Maria Rodriguez, Public Information Officer, (916) 405-2082; Gary Goodman, District Manager, (916) 685-5464, Sacramento-Yolo Mosquito & Vector Control District

**14. Ordinance Amending the City's Fee and Charge Report for Water and Wastewater Utility Service Rates** (Passed for Publication 03/22/2016; Published 03/25/2016)  
Report # 2016-00248      **Estimated Time: 60 minutes** (Actual Time: 165 minutes)  
**Location:** Citywide

**Action:** Moved/Seconded: Member Larry Carr / Member Rick Jennings

**Yes:** Members Larry Carr, Eric Guerra, Steve Hansen, Jeff Harris, Rick Jennings, Jay Schenirer, and Mayor Kevin Johnson.

**No:** Member Allen Warren

**Absent:** Member Angelique Ashby

Public comment heard from Clyde MacDonald, Laruen Fox, Roxanne Fuentez, Caylyn Wright, Sarah Foster, Patrick Harbison, Rick Stevenson, Craig Powell, Terry Goodell, Steven Bourasa, Debra Desrosiers, Dennis Neufeld, Josh Newcom, Mac Worthy, passed 1) **Ordinance No. 2016-0015** amending the City's Fee and Charge Report to increase water and wastewater utility service rates, consisting of an increase of 10% per year for four years for water rates, and an increase of 9% per year for four years for wastewater rates, and 2) **Motion No. 2016-0090** directing the expansion of the scope of the existing Utilities Rate Assistance Program to include non-profit organizations that provide housing; utilize non-traditional methods including social media to do outreach; expand the number of language translations used in the outreach; utilize the data portal to provide our water quality rating; ask URAC to look at the apartment leasing landlord-tenant relationship for low income residents; and explore using 250% for poverty level assessment.

**Contact:** Bill Busath, Director, (916) 808-1434; Susan Goodison, Business Services Manager, (916) 808-8995, Department of Utilities

**Public Comments-Matters Not on the Agenda** (2 minutes per speaker)

- |                   |                        |
|-------------------|------------------------|
| 1. Homelessness   | 2. Stormwater drainage |
| a. Wanda          | a. Nazar               |
| b. David Andre    | 3. Parking after hours |
| c. Rick Castro    | a. Roxanne Fuentez     |
| d. Kathleen Young |                        |
| e. Deborah Mack   |                        |
| f. Janet Fricke   |                        |
| g. Roland Brady   |                        |
| h. Mac Worthy     |                        |

## **Council Comments-Ideas, Questions and Meeting/Conference Reports**

### **1. Information Requests**

#### **a. Member Jay Schenirer**

1. Coordinate same day Cesar Chavez holiday for city and school districts (START and 4<sup>th</sup> R Programs)

### **2. Board/Commission Appointments**

None.

**Adjourned** – 9:21 p.m.

**Meeting Date:** 4/14/2016

**Report Type:** Consent

**Report ID:** 2016-00064

**Title:** City Signatory Authority for City Properties: Proposed Expansion and Renewal of Oak Park Property and Business Improvement District (Oak Park PBID) No. 2016-01

**Location:** District 5

**Recommendation:** Pass a Resolution designating the City Manager or designee as the signatory authority for all City-owned properties to be included in the proposed Oak Park Property and Business Improvement District (PBID).

**Contact:** Jodie Vong, Administrative Analyst, (916) 808-8243; Mark Griffin, Special Districts Manager, (916) 808-8788, Department of Finance

**Presenter:** None

**Department:** Finance

**Division:** Public Improvement Finance

**Dept ID:** 06001321

**Attachments:**

- 1-Description/Analysis
- 2-Background
- 3-Schedule of Proceedings
- 4-Resolution

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### **City Attorney Review**

Approved as to Form  
Michael W. Voss  
3/2/2016 3:42:05 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 2/25/2016 11:37:29 AM



## Description/Analysis

**Issue Detail:** The property and business owners within the Oak Park neighborhood and along the Broadway and Martin Luther King, Jr. Blvd corridors have proposed to expand and renew the Oak Park Property and Business Improvement District (PBID) for a ten-year term. Continued participation in the PBID will serve the public interest by providing an enhanced level of maintenance and security, image enhancement, and advocacy/administration. Maintenance and security activities include a crew to remove litter and patrol services with a focus on mitigating nuisance crimes. Advocacy efforts include website development, newsletter publications, and other activities to convey a positive image and attract new business to Oak Park in an effort to increase economic development and revenue.

The existing PBID expires at the end of 2016. The PBID is reforming and expanding the boundary to extend south along Broadway and Martin Luther King, Jr. Blvd corridors and additional properties in the Oak Park area that will benefit from the services provided. McClatchy Park, McGeorge School of Law, and the Police Athletic League building are the three City-owned parcels within the current PBID. The expanded boundary in the renewal will add 30 City parcels and two Redevelopment Agency Successor Agency (RASA) parcels including the Oak Park Community Center, vacant lots, and Fire Station No. 6.

If Council supports the renewal, the Council may delegate to the City Manager the authority to sign the property owners' petition and assessment ballot on behalf of the City properties that will participate in the PBID. RASA is precluded from voting for the assessment renewal by state law.

**Policy Considerations:** The recommended action authorizes the City Manager to sign the property owner's petitions and assessment ballots on behalf of all City properties that will participate in the PBID. The proceedings under which the PBID is proposed to be renewed are set forth in Sections 36600 of the California Streets and Highways Code, entitled "Property and Business Improvement District Law of 1994."

**Environmental Considerations:** Under the California Environmental Quality Act (CEQA) guidelines, authorizing City Manager approval for proposed business and property improvement districts does not constitute a project, and is therefore exempt from CEQA review.

**Rationale for Recommendation:** PBID services include economic development services in addition to what the City currently provides. This includes focused marketing, outreach and other activities to convey a positive image, expand existing businesses and attract new businesses to Oak Park resulting in increased economic activity and revenue.

The PBID de facto serves as a key partner to the City's economic development efforts — particularly in the area of enhancing a clean and safe environment, addressing homeless issues, and providing increased marketing for new business development. In addition, the PBID has the potential to serve as a critical partner in identifying both business needs and opportunities, as they will in many instances become the first entity to be contacted by local businesses.

To the extent that expanded boundaries include additional business resources, the City's opportunity for greater economic development activity and effectiveness is increased proportionately. The actions in the recommended Resolution will allow the City to support the renewal of the PBID and to access the services provided by the PBID.

**Financial Considerations:** There are 387 parcels in the proposed PBID service area. The total PBID assessment budget for the first year is approximately \$319,895. If the PBID is renewed and expanded, the City will continue to participate as a property owner.

The City's current year assessment is \$33,262. If the PBID is renewed and expanded, the City's assessment will increase by \$27,157 to approximately \$60,419 which is 19 percent of the overall PBID assessment. The City assessment includes two RASA parcels with an assessment of \$1,643.

Future assessment rates may be subject to further increases of no more than three percent (3%) annually based on the proposed Management District Plan that will govern the PBID upon successful renewal and expansion.

**Local Business Enterprise (LBE):** Not applicable.

## **BACKGROUND**

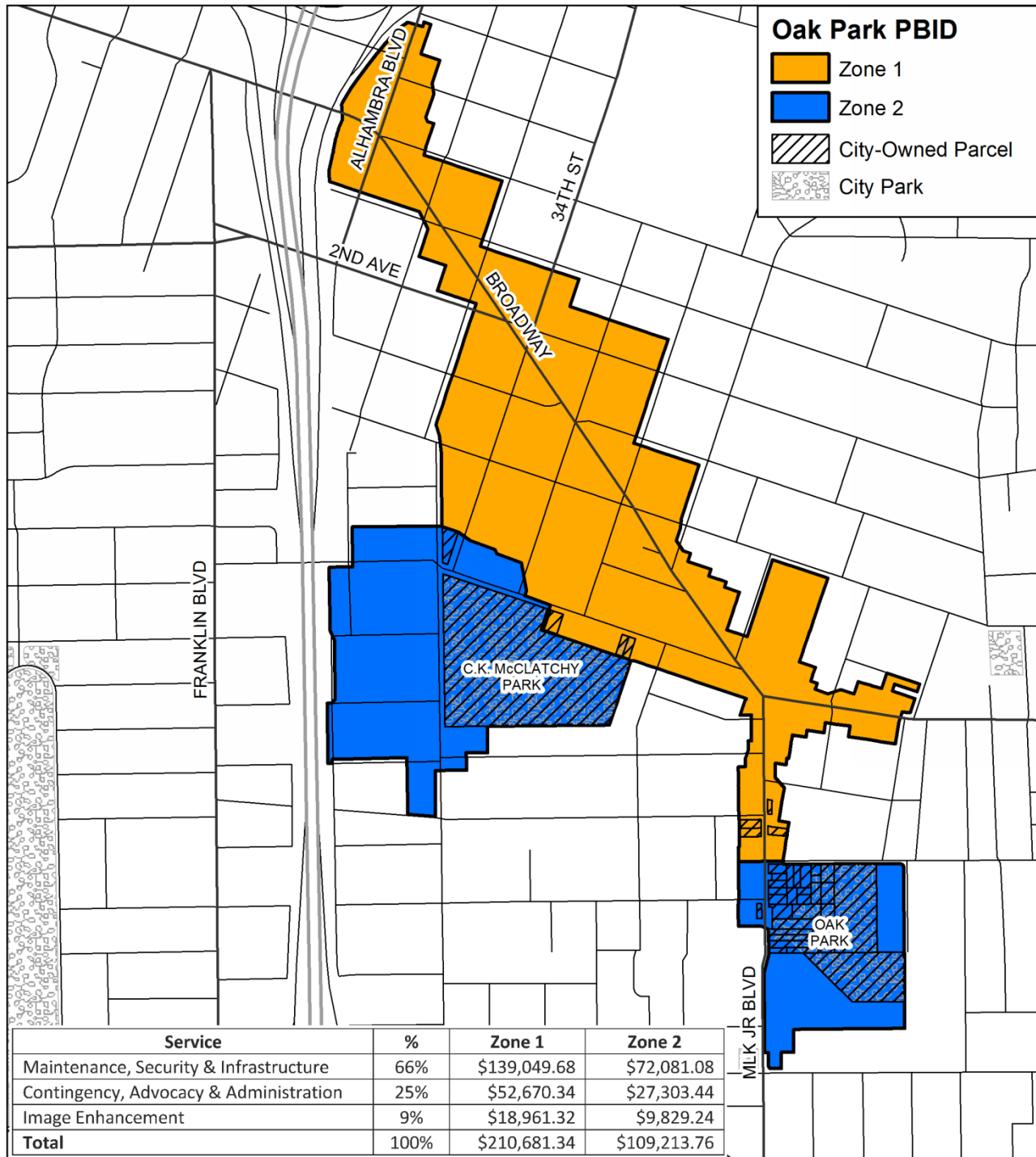
The Oak Park PBID was approved by City Council on August 5, 2004, in accordance with the PBID Area Law of 1994, became effective on January 1, 2005, and was renewed on July 14, 2009 for a seven-year term expiring at the end of 2016. The PBID is reforming and expanding the boundary to extend along the Broadway and Martin Luther King Jr. Blvd Corridors and additional properties in the Oak Park area. The PBID property owners will be petitioning to renew the PBID for a ten-year term.

If renewed with the proposed expansion, the PBID will continue to provide funding and the following services in the Oak Park commercial corridor:

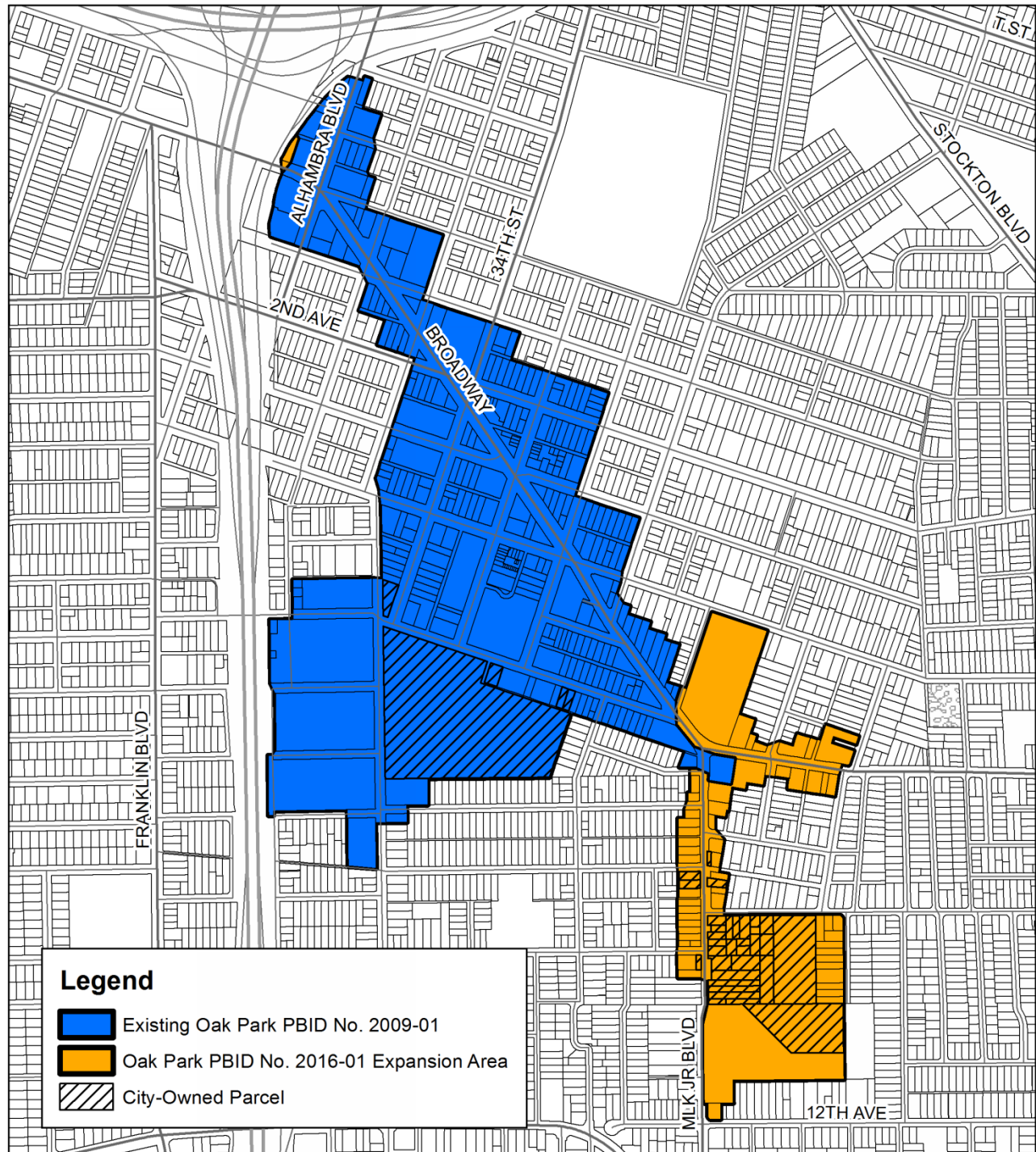
- Maintenance, Security, and Infrastructure: litter removal services, security patrols to assist in nuisance crimes and calls, an outreach program to provide a clean and safe environment.
- Image Enhancement: street signage, banners, and marketing efforts to promote economic activity, attract investment, and increase commerce within the PBID.
- Advocacy, Administration, and Contingency: provides the administrative support to sustain the various services including website development, publications, and community meetings. The contingency portion is included as a buffer to account for possible delinquent assessments.

The attached resolution provides the City Manager the authority to sign the property owner's petitions and assessment ballots on behalf of all City properties that will participate in the PBID.

# Oak Park Property and Business Improvement District No. 2016-01



# Oak Park Property and Business Improvement District



**SCHEDULE OF PROCEEDINGS  
OAK PARK  
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT #2016-01**

February 2016                      Petition Drive Kick-off

<b>April 14, 2016</b>	<b>City Manager Signature Authority – City Council</b>
-----------------------	--

May 13, 2016                      Receive Signed Petitions

May 24, 2016                      Resolution of Intention to Renew – City Council

May 26, 2016                      Record Boundary Map  
Mail, Publish Notice of Hearing, Management Plan, and Ballot

July 12, 2016                      Public Hearing & Ballot Count - City Council

July 19, 2016                      Ballot Results - City Council

July 20, 2016                      Record Notice of Assessment and Assessment Diagram

August 2016                      Assessment Roll to County



# RESOLUTION NO.

Adopted by the Sacramento City Council

## DESIGNATING THE CITY MANAGER AS THE SIGNATURE AUTHORITY FOR ALL CITY-OWNED PROPERTIES TO BE INCLUDED IN THE OAK PARK PROPERTY AND BUSINESS IMPROVEMENT DISTRICT NO. 2016-01

### BACKGROUND:

A. The property and business owners within the Oak Park commercial corridor propose to expand and renew the Oak Park Property and Business Improvement District (Oak Park PBID) for a ten-year term under the PBID Law of 1994, as authorized by the California Streets and Highways Code, Part 7 (beginning with Section 36600) of Division 18.

B. The City owns the following 33 properties within the proposed Oak Park PBID:

013-0141-013-0000	014-0202-024-0000
013-0251-001-0000	014-0202-025-0000
013-0251-002-0000	014-0202-026-0000
013-0251-010-0000	014-0202-028-0000
013-0251-011-0000	014-0202-029-0000
013-0355-008-0000	014-0202-030-0000
014-0174-017-0000	014-0202-031-0000
014-0202-002-0000	014-0202-032-0000
014-0202-003-0000	014-0202-033-0000
014-0202-016-0000	014-0202-034-0000
014-0202-017-0000	014-0202-035-0000
014-0202-018-0000	014-0202-036-0000
014-0202-019-0000	014-0202-037-0000
014-0202-020-0000	014-0202-038-0000
014-0202-021-0000	014-0202-039-0000
014-0202-022-0000	014-0231-043-0000
014-0202-023-0000	

C. City-owned properties will have a total first-year annual assessment of approximately \$60,419. Future assessment rates may be subject to an increase of no more than 3% annually.

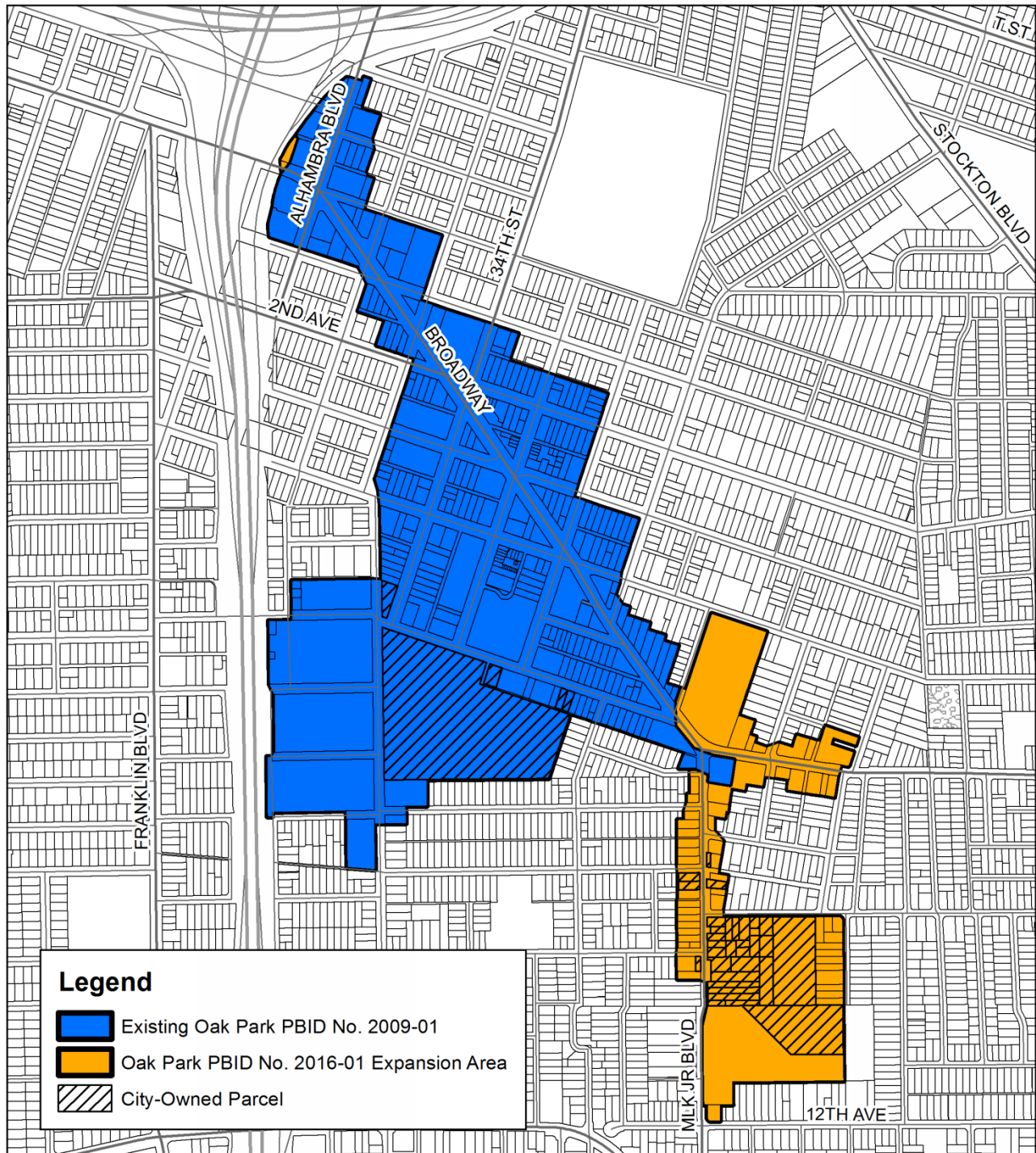
D. The City Council has determined that the public interest will be served by having City properties participate in the Oak Park PBID.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL  
RESOLVES AS FOLLOWS:**

- Section 1     The City Manager is designated as the signature authority for all City-owned properties to be included in the proposed Oak Park Property and Business Improvement District No. 2016-01.
- Section 2     Exhibit A is part of this resolution.

## EXHIBIT A

# Oak Park Property and Business Improvement District



**Meeting Date:** 4/14/2016

**Report Type:** Consent

**Report ID:** 2016-00356

**Title:** Appropriation of Funds for the Citywide Pool Assessment Repair Project

**Location:** Districts 3 and 5

**Recommendation:** Pass a Resolution appropriating \$475,000 from Special Recreation Fund (Fund 2504) to the Citywide Pool Assessment Repair Project (L19706500).

**Contact:** Shannon D. Brown, Operations Manager, (916) 808-6076, Department of Parks and Recreation

**Presenter:** None

**Department:** Parks & Recreation Department

**Division:** Recreation Administration

**Dept ID:** 19001411

**Attachments:**

1-Description/Analysis

2-Resolution

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**City Attorney Review**

Approved as to Form

Sheryl Patterson

3/24/2016 1:18:41 PM

**Approvals/Acknowledgements**

Department Director or Designee: Christopher Conlin - 3/16/2016 1:55:44 PM

## Description/Analysis

**Issue Detail:** In Fiscal Year (FY) 2015/16 the Parks and Recreation Department initiated a citywide pool assessment to determine the maintenance status of these facilities. While the assessment has not been completed, preliminary inspections conducted by staff has revealed three critical issues at the following locations: Mangan Pool House, McClatchy Pool House, and Doyle Pool.

- Mangan Pool House Roof/Structural Repairs Project (\$60,000): The project requires replacement of the roof, structural supports, fascia, electrical and painting.
- McClatchy Pool House Roof/Fence Project (\$65,000): The project requires repairing existing roof damage and repainting the existing fence.
- Doyle Pool Concrete ADA Flatwork/Fence Project (\$350,000): The project requires removal and replacement of the existing fence with a new vandal resistant fence and maintenance reconstruction of the pool deck.

In order to address these critical facility maintenance needs the Department of Parks and Recreation is seeking City Council approval to appropriate \$475,000 from the Special Recreation Fund (Fund 2504) to the Citywide Pool Assessment Repair Project (L19706500) to complete the above projects.

**Policy Considerations:** Appropriations over \$100,000 require City Council approval. Opening the City's pools has been and continues to be a Council priority. Repairs to the above facilities are necessary to ensure they can be open for the upcoming swim season. Providing parks and recreation facilities is consistent with the City's strategic plan to enhance livability in Sacramento's neighborhoods.

**Economic Impacts:** None

**Environmental Considerations:** This report concerns administrative activities that will not have a significant effect on the environment, and does not constitute a "project" as defined by CEQA Guidelines (Title 14 Cal. Code Reg. § 15000 et seq.) Sections 15061(b)(3); 15378(b)(2)].

Any subsequent actions for implementation of the Citywide Pool Assessment Repair Project will be required to undergo further CEQA review.

**Sustainability:** Not Applicable.

**Commission/Committee Action:** None

**Rationale for Recommendation:** If the identified pool repairs are not addressed immediately, it will limit the City's ability to open these facilities for the summer 2016 swim season.

**Financial Considerations:** There is sufficient funding available in the Special Recreation Fund (Fund 2504) to appropriate \$475,000 to the Citywide Pool Assessment Repair Project (L19706500).

Mangan Pool House, McClatchy Pool House, and Doyle Pool are existing recreation facilities; the annual maintenance and utilities cost are already covered in the Parks and Recreation's aquatics operation budget for maintenance, water and utility costs.

**Local Business Enterprise (LBE):** The solicitation for the contracts to repair the pools will include the applicable LBE requirements.



## **RESOLUTION NO. 2016-**

Adopted by the Sacramento City Council

### **APPROPRIATING FUNDS FOR THE CITYWIDE POOL ASSESSMENT REPAIR PROJECT**

#### **BACKGROUND**

- A. The Parks and Recreation Department recently initiated a citywide pool assessment to determine the condition of the city's pool facilities.
- B. Inspections revealed the need to undertake repairs prior the upcoming pool season at the following locations: Mangan Pool House, McClatchy Pool House, and Doyle Pool. In order to fund these repairs, an appropriation is needed.

#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. Funding in the amount of \$475,000 to be transferred from the Special Recreation available fund balance (Fund 2504) to the Citywide Pool Assessment Repair Project (L19706500) is hereby approved.

**Meeting Date:** 4/14/2016

**Report Type:** Consent

**Report ID:** 2016-00345

**Title: Supplemental Agreement: Ramona Avenue Extension and Folsom Blvd Widening from UPRR Overhead to Route 50 Structure (T15018400)**

**Location:** Districts 3 and 6

**Recommendation:** Pass a Resolution 1) authorizing the City Manager or his designee to execute Supplemental Agreement No. 12 to City Agreement No. 2004-015 with Mark Thomas & Company, Inc. in an amount not to exceed \$114,274; 2) ratifying Supplemental Agreements Nos. 10 and 11 to City Agreement No. 2004-015 with Mark Thomas and Company and; 3) resetting the City Manager's authority to issue Supplemental Agreements for City Agreement No. 2004-015.

**Contact:** Nader Kamal, Supervising Engineer, (916) 808-7035; Nicholas Theocharides, Engineering Services Manager, (916) 808-8280, Department of Public Works

**Presenter:** None

**Department:** Public Works Department

**Division:** Engineering Services Admin

**Dept ID:** 15001111

**Attachments:**

1-Description/Analysis

2-Exhibit A (Signed Supplemental Agreement)

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**City Attorney Review**

Approved as to Form

Gerald Hicks

4/5/2016 10:01:22 AM

**Approvals/Acknowledgements**

Department Director or Designee: Jerry Way - 3/22/2016 2:20:36 PM

## **Description/Analysis**

**Issue:** Approval of Supplemental Agreement No. 12 with Mark Thomas & Company, Inc. is necessary for the re-validation of the environmental documents and the preparation of the environmental permits required for this project and for the design of a new at-grade crossing which meets all applicable roadway and Union Pacific Railroad (UPRR) design and safety standards.

The City of Sacramento's Ramona Avenue Extension Project will construct a two lane roadway with shoulders, curb, gutter and sidewalk that will extend from the terminus of Ramona Avenue to Folsom Boulevard. The project creates a two lane at-grade crossing of a UPRR industrial/spur line.

Supplemental Agreement No. 10 to City Agreement No. 2004-015 with Mark Thomas & Company, Inc. in the amount of \$95,337 was needed to evaluate the removal of existing grade crossings at C Street and V Street between 19th Street and 20th Street as a condition of UPRR's preliminary approval.

Supplemental Agreement No. 11 to City Agreement No. 2004-015 with Mark Thomas & Company, Inc. was needed to extend the contract to December 31, 2016.

Supplemental Agreement No. 12 to City Agreement No. 2004-015 with Mark Thomas & Company, Inc. in the amount of \$114,274 is needed to complete the project design. The additional design work will address UPRR requirements, new facilities for Sacramento State University, connection points for utility facilities, and new landscaping and irrigation requirements. Additionally, due to the delays in the project associated with UPRR, a re-validation of the Final Environmental Impact Report (EIR)/Environmental Analysis (EA) (originally approved in 2012) is required by Caltrans Local Assistance prior to the next "major federal approval" (i.e. E-76 Construction Authorization). An environmental re-validation for submittal to Caltrans Local Assistance will be prepared in accordance to Section 23 CFR 771.129 of the Federal Register. As part of this process, the Army Corps of Engineers (ACOE) will be engaged to ensure that the Wetland Delineation is still valid. The environmental permits required for the project construction will also be prepared.

**Policy Considerations:** This action is consistent with existing city policies regarding transportation, neighborhood revitalization and enhancement and public safety.

**Economic Impacts:** Not applicable.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** Executing a supplemental agreement to an existing professional services agreement is not considered a project as defined by Section 15378(a) of the California Environmental Quality Act guidelines. The recommended action involves no physical construction and has no potential to cause significant impact to the environment.

**Sustainability Considerations:** The project will improve access, provide route continuity and improve opportunities for pedestrian and bicycle connections. Project will construct a two lane roadway with shoulders, curb, gutter and sidewalk that would extend from the terminus of Ramona Avenue to Folsom Boulevard. All of these considerations and improvements are consistent with City's sustainability goals.

**Rationale for Recommendation:** Approval of Supplemental Agreement No.12 with Mark Thomas & Company, Inc. will allow the project to proceed.

**Financial Considerations:** The total estimated cost for the environmental analysis and design for area wide improvements and construction of the Ramona Avenue Extension Project (T15018400) is approximately \$12 million.

The Ramona Avenue Extension Project (T15018400) has a total budget of \$7,479,805. To date, expenditures, which include the broader environmental and design exercise for an area wide plan, total \$3,448,596 million. As of March 8, 2016, the unobligated balance is \$4,031,209 which is sufficient to cover Supplemental Agreement No. 12 with Mark Thomas, Inc. in the amount of \$114,274 and finish design.

There are no General Funds planned or allocated for this project.

A total of \$3.1 million in federal funds and \$1.5 million in local match is programmed for project construction and will be appropriated and transferred at contract award.

**Local Business Enterprises (LBE):** The Ramona Avenue Extension and Folsom Boulevard Widening Project has federal funding and requires conformance with project participation guidelines for Disadvantaged Business Enterprise (DBE) program requirements. Therefore, the City's LBE requirements are held in abeyance.

City of Sacramento  
**SUPPLEMENTAL AGREEMENT**

Contract #: **2004-015-12**

Purchase Order #:

Supplemental Agreement #: **12**

Job#: **T15018400**

Project Title: **Ramona Avenue Extension**

The City of Sacramento ("City") and Mark Thomas & Company, ("Contractor"),  
as parties to that certain Professional Services Agreement designated as Agreement Number 2004-015  
including any and all prior supplemental agreements modifying said agreement (said agreement and supplemental agreements are  
hereby collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The Scope of Services specified in Exhibit A of the Agreement is amended as follows:

**See Exhibit A**

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement of Payment of Contractor's fees and expenses, is increased by \$114,274.74 and said maximum not-to-exceed amount is amended as follows:

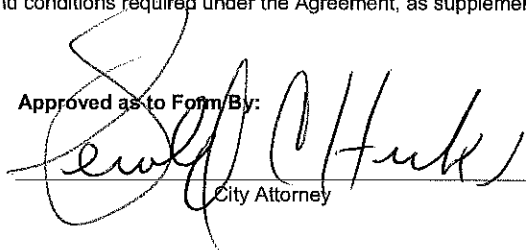
The original not-to-exceed amount:	\$727,756.00
The net change by previous Supplemental Agreements:	\$1,328,749.51
The not-to-exceed amount prior to this Supplemental Agreements:	\$2,056,505.51
The contract sum will be increased by this Supplemental Agreement:	\$114,274.74
The new not-to-exceed amount including all Supplemental Agreements:	\$2,170,780.25

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes in work schedules or in the performance of other services or work by Contractor. The time for the performance of the agreement is increased by 0 Days by reason of the performance of the work required by this Supplemental Agreement.
4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all the services, duties, obligations and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.


Approval Recommended By:

  
Project Manager

Approved as to Form/By:

  
City Attorney

Approved By:

  
Contractor

Approved By:

Attested to By:

\_\_\_\_\_  
City of Sacramento

\_\_\_\_\_  
Executed Date

\_\_\_\_\_  
City Clerk

**Exhibit A**  
**Ramona Avenue Extension**  
**2004-015**

<i>Description</i>		<i>Amount</i>
<b>Supplemental Agreement #12</b>		
<b>PCO # 17.0</b>	<b>Client Initiated Changes</b>	<b>\$114,274.74</b>
03/04/16	Additional work by Mark Thomas & Company, Inc. to re-validation of the Environmental Documents and prepare the environmental permit required for this project (See attachment A).	
<b>PCO # 18.0</b>	<b>Client Initiated Changes</b>	<b>\$0.00</b>
03/04/16	Staffing adjustments (adding staff and removing staff) . See revised 10-H's	
	Accepting revised ODCs on 10-H's from Mark Thomas, Fehr & Peers, and PAR Environmental reflecting the previously approved reallocations by PM.	
<b>PCO # 19.0</b>	<b>Client Initiated Changes</b>	<b>\$0.00</b>
03/04/16	In accordance with CA State Labor Code section 1725.5 Contractors/Consultants are subject to a registration and annual renewal fee. As of January 1, 2016 Contractors and Consultants on ALL public works projects are required to submit certified payroll records (CPR's) to the Labor Commissioner through their eCPR system. The City of Sacramento will also require all contractors and consultants to submit certified payroll and apprenticeship documents to the City through LCPTracker.net. This item includes the attached agreement to incorporate the Labor Compliance Requirements effective January 1, 2016.	
<b>3 Items</b>		<b>Total for Change Order # 12 \$114,274.74</b>

<b>1 Change Orders</b>	<b>3 Items</b>	<b>Total for Contract # 2004-015</b>	<b>\$114,274.74</b>
<b>Totals By Reason</b>		<b>Changed/Unforeseen Conditions</b>	<b>\$0.00</b>
		<b>Changes to Bid Documents</b>	<b>\$0.00</b>
		<b>Client Initiated Changes</b>	<b>\$114,274.74</b>





## Labor Compliance Requirements

**DATE:** February 16, 2016  
**JOB:** Ramona Ave Extension  
**PROJECT NO.:** T15018400

**Contract Administrator:** Jose Ledesma, [JLedesma@cityofsacramento.org](mailto:JLedesma@cityofsacramento.org)  
**Labor Compliance Officer:** Brenda Kee, [BKee@cityofsacramento.org](mailto:BKee@cityofsacramento.org)  
**Project Manager:** Nader Kamal, [NKamal@cityofsacramento.org](mailto:NKamal@cityofsacramento.org)  
**Prime Contractor:** Mark Thomas

In accordance to City of Sacramento Ordinance Section 360.180 the following is to comply with the City of Sacramento prevailing wage provision and contract provisions.

The award of a public works contract requires that all workers employed on the project be paid not less than the specified general prevailing wage rates by the contractor and its subcontractors. Owner Operators are not exempt from this requirement (LC § 1771, LC §1774). Current Prevailing Wage Rates can be accessed at <http://www.dir.ca.gov/h/dlsr/pwd>. NOTE: *The first bid advertisement date of the project determines the applicable wage for this project. Please check your bid advertisement date to make sure you are using the correct determination. Superseded prevailing wage determinations can be obtained at <http://www.dir.ca.gov/oprl/main.htm>.*

Prevailing wage rates and rate changes are to be posted at the job site for workers to view.

*If Federal Funded: Davis/Bacon prevailing wage rates apply, unless State prevailing wage rates are required.*

### **Prevailing Wage Requirements**

- ☐ All workers employed in the execution of a public works project, including sole proprietors, partners, and corporate officers, must be paid not less than the specified prevailing wage rates for the type of work performed. *Reference: Labor Code 1774*
- ☐ Overtime must be paid for all hours over 8 in a calendar day and 40 hours in a week. Violations may subject the contractor to a state penalty of \$25 per day per worker. *References: Labor Code 1810-1815*
- ☐ Saturday/Sunday premium rates are applicable as indicated on prevailing wage determinations.
- ☐ When required shift differential rates must be paid for classifications which include a shift determination.
- ☐ **State Prevailing Wage Determinations**
  - \* **Single asterisk** indicates that this wage determination can be used for the life of the contract.
  - \*\***Double asterisk** indicates that this wage determination includes predetermined increases.
- ☐ Subsistence/Zone pay must be shown on the fringe benefit statement if not shown on certified payroll.

⇒ The contractor must make applicable travel and subsistence payments in accordance with information on file with the Department of Industrial Relations (DIR) for classifications utilized. Call the Prevailing Wage Unit at (415) 703-4774 or available at: (415) 703-4774 or available at: <http://www.dir.ca.gov/dlsr/PWD/index.htm> *Reference: Labor Code 1773.1*

- ❑ Contractors violating prevailing wage requirements are subject to a penalty of up to \$200 per day per worker, paid in addition to any wage underpayments. Liquidated damages in the amount of the wage underpayments may also apply. *References: Labor Code 1775 and 1742.1*

## **Apprentices**

- ❑ All requirements of the State Labor Code, Section 1777.5 apply including the following:  
(This is for all contracts, work or task orders executed that are over \$30,000)

⇒ Submit Division of Industrial Relations **form DAS-140**, *Public Works Contract Award Information*, to the applicable apprenticeship committee prior to start of work. This form must be uploaded into LCPTracker with proof of service included. The form may be downloaded at: <http://www.dir.ca.gov/DAS/PublicWorksForms.htm>

Submit Division of Industrial Relations **form DAS-142**- Request for Dispatch of Apprentices (Prime and Sub-Contractors.) This form must be uploaded into LCPTracker with proof of service included. The form may be downloaded at: <http://www.dir.ca.gov/DAS/PublicWorksForms.htm> or under the e-Documents tab in LCPTracker.net

⇒ Training fees **MUST** be sent to a state-approved apprenticeship program or the California Apprenticeship Council and identified on the fringe benefit statement. **CAC-2 Form and are due monthly by the 15<sup>th</sup>.**

**Training Fund Contribution Letter** -are **due monthly by Prime and Sub- Contractors.**

(If you are a Union Contractor submit the CAC-2 form stating funds are paid to specific trust fund and letter verifying those funds have been paid please upload both forms in LCPTracker.net)

⇒ Apprentices must be paid the prevailing wage rate applicable to the classification and step in which they are registered and employed.

- ❑ Proof of registration in a state-approved apprenticeship program is required and must be submitted with the first payroll on which apprentices appear. The apprentice certificate is to be uploaded into LCPTracker prior to approval. *References: Labor Code 1777.5; Contract Provision*

- ❑ Complaints or violations regarding apprentice ratios will be referred to DAS. *Reference: CCR 16434*

## **Certified Payroll Records**

- **Certified Payroll Reports (CPR)** Input into LCPTracker.net and delivered to the DIR as of April 1, 2015. ***The CPR's for the prime contractor and all sub-contractors must now be reported to the State of California as well as the City of Sacramento. CPR's are due within ten (10) days of pay period end date.*** CPR's shall contain the same information for compliance with ***LC § 1776***. Classification and group numbers are required on all payrolls. When work classification is not shown the City will determine the wage rate based on duties performed. Due minimum of bi-weekly with a Statement of Compliance for each pay period. (Located on LCPTracker.net under edocs) Reminder: wage increase for Master Agreements usually occurs on 06/15 and 06/29 or 06/30.

- **Negative Payroll Report Due within ten (10) days of pay period end date** if there is five (5) or more consecutive non-work days within any single pay period.
- **Fringe Benefit Statement: Form 420 (Located on LCPTracker.net under edocs)** Paid in cash or contributions to plans/programs are **due with first certified payroll report and anytime the fringe benefits change. Please breakdown all fringes paid to employee and to what program they are being paid to.** Documentation that the amount stated on the fringe benefit statement is being paid on the employees behalf may be requested for validation. If fringes are paid in cash please list a breakdown of those cash amounts.
- **Other Deductions** –Need to be detailed on the CPR and must be expressly authorized in writing by the employee or collective bargaining agreement. A form signed by the employee is uploaded into LCPtracker.net. If the employer does not have a form there is one available in the eDocuments tab on LCPtracker.net

### **Listing of Subcontractors**

Contractors and subcontractors are required to list all suppliers and tier subcontractors hired to perform work on a public works project (in accordance to contract standard specification).

- ☐ The Subletting and Subcontracting Fair Practices Act requires prime contractors to list, at bid time, all subcontractors who will perform work in excess of one-half of one percent of the total bid amount or \$10,000, whichever is greater. For building projects, subcontractors who will perform work in excess of one-half of one percent must be listed. The prime must use those subs as listed at bid time unless a **written substitution is requested and approved in writing** by the Contracts Specialist and Project Manager **before** substitution.  
*References: Public Contract Code 4100-4114; Standard Specifications 5, Control of Work*
- ☐ **Subcontracting Request**, Prime Contractor update the Form 300 (List of Subcontractors & Suppliers) before they begin work at the jobsite and anytime there is an approved substitution. The prime must perform 30 percent of the work with their own forces.
- ☐ The prime contractor is responsible for work performed and compliance met by subcontractors and owner-operators. The Contractor shall perform with its own organization and with the assistance of workers under its immediate superintendence, work of a value not less than twenty percent (20%) of the value of all work in the contract.
- ☐ Failure to comply with the requirements of the Subletting and Subcontracting Fair Practices Act may result in a penalty of 0-10 percent of the subcontract involved and a referral to the Contractors State License Board.  
*Reference: Public Contract Code 4110-4111*

**List of Subcontractors & Suppliers: Form 300 (Located on LCPTracker.net under edocs)**  
Per Government Section 4100 et seq; prohibition against unfair competition Business & Professions Code Section 17200-17208, you must list suppliers and the amount of their product (s). Form is due within ten (10) days of pre-construction meeting.

### **Invoices**

The Labor Compliance Officer shall notify the contractor and the Project Manager of noncompliance and labor issues prior to invoice approval. Advance notice of submission to the Compliance Officer is appreciated. **You must have all labor compliance requirements met before submitting a invoice. Failure to meet the labor compliance requirements will result in your invoice being denied and returned to you for full compliance.** Invoice must be submitted to the project manager for his/her review first. The project manager will then forward the invoice to the Labor Compliance Officer for their review.

***Pursuant to Labor Code Section 1776, the City of Sacramento will impose penalties of \$100 per day per worker for each day the documentation that is requested is considered late (beyond the 10 days from when notice is given), even if the information you eventually submit is found to be correct. This information is to be uploaded into LCPtracker.net. If you have been asked to make any corrections to the documents submitted, we ask that you make the requested corrections and re-upload the corrected document into LCPtracker as soon as possible. As progress payments may be delayed while these items are outstanding, it would be in your best interest to see that these documents are provided as soon as possible.***

### **Completion of Project**

- **Contractor Notification of Completion:** *Form 264* must be submitted into LCP Tracker,

**All of these forms discussed in this document are located on LCPTracker.net under the eDocuments tab.**

In accordance with city policy and contract documents, the undersigned contractor herein certifies that it will comply with the foregoing prevailing wage requirements; and fully understands that failure to comply with these requirements will subject it to the penalties cited herein.



## MARK THOMAS & COMPANY

Providing Engineering, Surveying & Planning Services

March 3, 2016

58-0145B

### OFFICES

Cupertino

Fresno

Irvine

Oakland

Sacramento

Salinas

San Jose

San Mateo

Walnut Creek

Mr. Nader Kamal  
City of Sacramento  
Department of Transportation  
915 I Street, Room 2000  
Sacramento, CA 95814-2604

**RE: RAMONA AVENUE EXTENSION – ADDITIONAL WORK REQUEST – SUPPLEMENTAL AGREEMENT #12**

Dear Mr. Kamal:

Mark Thomas & Company (MTCO) has identified a number of items that our outside the original scope of services for the Ramona Avenue Extension Project. The scope of services below identifies these additional tasks and the proposed budget for them. Detailed scopes of work and budgets for subconsultants have been included as Attachment B.

**Project Management & Meetings**

MTCO's Project Manager will plan, organize, direct and monitor project work activities and resources in accordance with this additional scope. This task includes performing ongoing general project management with the client, subconsultants and stakeholders including preparing contract paperwork, memo's, letters and e-mail, making phone calls and maintaining project files. It is anticipated that the project will go to construction in 2017; this additional request includes 12 months of coordination and an additional 6 meetings.

The estimated MTCO fee for this task is \$7,000.00

**Additional Design & Coordination (Ramona Avenue Extension - T15018400)**

The overall project was "re-kicked off" in the Fall of 2015 after a 3 year delay. Since this time, field conditions have changed, City design standards have changed, and utility company personnel have changed. Additionally, designs will need to be modified to address UPRR requirements, new facilities for Sacramento State, connection points for utility facilities, and new landscaping and irrigation requirements. Specific items within this task include:

- Coordination with Fiber optic conduit designs to accommodate future facilities for a Sacramento State expansion and constructed as part of the Ramona project. (Fiber optic design to be done by others).
- Updates to signal design plans to reflect new equipment and design requirements from the City.
- Lighting design at the C Street crossing.
- Coordination of SMUD service points for a new irrigation services.

Mark Thomas & Company, Inc.

7300 Folsom Boulevard, Suite 203, Sacramento, CA 95826

www.markthomas.com (916) 381-9100 fax: (916) 381-9180

- Completing the Caltrans Utility Certification Forms (ROI, NTO, UA) for the overhead electric pole relocations along Folsom Boulevard.
- New landscape designs to cover new drought tolerant design standards.
- Additional QA/QC for new design elements.
- Coordination with City Public Works and DOU staff regarding new signal designs, striping, and utility designs.
- Preparation of a Storm Water Pollution Prevention Plan (SWPPP) in support of the NPDES permit being prepared by PAR.

The estimated fee for this task is as follows:

- MTCO - \$21,000.00
- Fehr & Peers - \$19,779.12
- Fehr & Peers / Reimbursables - \$100.00
- MTW Group - \$8,859.81

#### **Additional Design & Coordination (Water Line – T15018402)**

Future direction from City DOU required additional design for the water line. Specific items within this task include:

- Jack and bore design for the new waterline under the UPRR tracks (this is a new requirement of UPRR).
- Cathodic protection design for the waterline facility.
- Potholing of existing utility facilities along Folsom Boulevard (we have identified the need for 15 potholes).

The estimated fee for this task is as follows:

- West Yost Associates - \$11,778.25
- MTCO - \$5,000.00
- Pothole Utilities (MTCO ODC) - \$10,000.00 (for waterlines)

#### **Environmental Re-Validation**

The Final EIR/EA was approved for the project in 2012. Because of the delays in the project associated with UPRR, a re-validation of this document will be required by Caltrans Local Assistance prior to the next "major federal approval" (i.e. E-76 Construction Authorization). PAR Environmental will review the Final EIR/EA and prepare an Environmental Re-Validation for submittal to Caltrans Local Assistance; this will be done in accordance to Section 23 CFR 771.129 of the Federal Register. As a part of this process, PAR will engage the ACOE to ensure that the Wetland Delineation is still valid; for purposes of this scope we have assumed that the delineation will be valid and no additional field work or documentation will be required.

PAR will also engage Caltrans Environmental staff to determine if the original environmental document is still valid, what additional information is required, and if any additional documentation is needed. Based upon our review of the project site and the existing document, we have assumed that substantial updates to the FEIR will not be required.

A detailed scope of work from PAR has been included as an attachment.

The estimated fee for this task is as follows:

- MTCO - \$2,000.00
- PAR Environmental - \$12,434.71
- PAR Environmental / Reimbursables - \$400.00 (printing)

#### **Environmental Permits**

PAR Environmental will prepare the environmental permits required for project construction. The original contract did not include any tasks for this work. As stated in the Final EIR/EA and the Mitigation Monitoring Plan, the following permits and approvals will be required.

- National Pollution Discharge Elimination System (NPDES) General Construction Storm Water Permit.
- Waste Discharge Requirements (WDR).
- Section 7 of the Federal Endangered Species Act compliance.

A detailed scope of work from PAR has been included as an attachment.

The estimated fee for this task is as follows:

- MTCO - \$1,000.00
- PAR - \$14,922.85

#### **Staffing Adjustments**

The original contract for MTCO on the Ramona Extension Project dates back to 2008. Additionally, there was a lengthy schedule delay associated with the UPRR approval of the new at-grade crossing. Since the time of the original contract and during the UPRR delay period, staff from MTCO and our sub-consultants have either been hired or been promoted into new positions; there have also been staff members that are no longer employed at the firms. We would like to request that new 10H forms be approved to reflect the staff promotions, add new staff that has been hired, and remove staff who are no longer with the company. We are not requesting any increase in contract amount based on these changes.

We would like to request that the following staff (with rates) be added to the project (associated 10-H forms have been attached):

- Garry Horton (MTCO) – Senior Project Manager at \$90.00
- Andrew Lee (MTCO) – Senior Project Engineer at \$43.26
- Jony Tji (MTCO) – Senior Design Engineer at \$31.67
- Leslie Fung (MTCO) – Design Engineer at \$31.00
- Joseph Pivarnik (MTCO) – Field Party Chainman at \$31.32
- Marlayna Harney (MTCO) – Project Coordinator at \$25.75
- Ashley Green (MTCO) – Administrative at \$20.70



- Eric Seibel (MTCO) – Engineering/Survey/CADD Tech at \$30.00
- John Channell (MTCO) – Design (Tech Assistants) at \$15.00
- Joshua Iniguez (MTCO) – Design (Tech Assistants) at \$15.00
- Ashley Arreola (MTCO) – Design (Tech Assistants) at \$15.00
- Colleen O’Keefe (MTCO) – Design (Tech Assistants) at \$15.00
- Apprentice classification (MTCO) – at \$16.05
- Shelby Navarro (MTCO) – Administrative at \$17.00
- Lindsey Soza (F&P) – Associate at \$38.94
- Danny Murphy (F&P) – Engineer/Planner III at \$30.29
- JoLynn Souto (F&P) – Senior Administrative Assistant at \$26.44
- Frank Helmick (WYA) – Vice President at \$72.73
- John Goodwin (WYA) – Vice President at \$72.73
- Nancy McWilliams (WYA) – Engineering Manager at \$62.50
- Adam Brown (WYA) – Associate Engineer at \$41.00
- Colleen Karbowski (WYA) – Engineer II at \$29.00
- David Pezzini (WYA) – Engineer II at \$29.00
- Tyler Newman (WYA) – Engineer I at \$28.00
- Maxine Colorado (WYA) – Administrative IV at \$29.94
- Alexandra Garcia (WYA) – Administrative II at \$21.00
- Erik Reyes-Diaz (MTW) – Technician at \$21.00
- Tami Mihm (PAR) – Sr. Environmental Planner at \$37.35
- Sarah Heffner (PAR) – Sr. Historical Archaeologist at \$27.81
- Joshua Allen (PAR) – Archaeologist II at \$22.27
- Andrea E. Maniery (PAR) – Archaeologist II at \$22.27
- Mallory Triplett (PAR) – Archaeologist I at \$17.51
- Laura Zajac (PAR) – Environmental Coordinator at \$16.82

We would like to modify the classifications and rates of the following staff (associated 10-H forms have been attached):

- Robert (Matt) Brogan (MTCO) – promoted to Principal/Project Manager at \$110.00
  - Matt has been functioning as the Principal/Project Manager on the contract for some time (his title on the current 10-H is Technical Manager). He has taken over this role from Rob Himes, and Rob is no longer involved in the contract and will not be completing any additional work. His previous role was as a Technical Manager, which included managing internal staff and deliverables. In his new role, he is communicating directly with the City regarding project schedule and budget, providing support for public outreach, and leading discussions with City leaders. Matt believes that you are supportive of this change, and he would like to replace Rob as the Principal/Project Manager on the 10-H form.

- Aaron Silva (MTCO) – promoted to Senior Project Engineer at \$43.26
  - Aaron is currently functioning as the Senior Project Engineer on the contract (his title on the current 10-H is Project Engineer). Aaron is the day to day contact for all internal staff working on the project, and he takes the lead in all technical discussions with you, City staff, UPRR, and subconsultants. Aaron is also the backup as the direct contact if I am not available to talk to you. In his previous role, Aaron did not manage internal staff (he supported me while I did that), and he did not have any involvement in discussions with outside stakeholders. In light of this, I would like to replace James Pangburn with Aaron Silva on the 10-H form.
- Brandon Benton (MTCO) – promoted to Survey Manager at \$50.06
  - Brandon has taken over for Matt Stringer as the Survey Manager on the contract (his title on the current 10H is Project Surveyor). Brandon is the day to day contact for Rich Sanders of your right of way division and is managing all of the survey and right of way engineering efforts for the project. In his previous role, Brandon provided technical work on the right of way/surveying work and did not have any responsibility for managing this effort. I would like to replace Matt Stringer with Brandon Benton on the 10-H form.
- Ryan Michalak (MTCO) – promoted to Project Surveyor at \$31.04
  - Ryan is now supporting Brandon Benton as the Project Surveyor (his title on the current 10-H is Engineer/Survey/CADD Technician). In this role, he is providing all of the technical work on the right of way/surveying portion of the project in support of Brandon. I would like to replace Brandon Benton with Ryan Michalak on the 10-H form.

We would like to remove the following staff from the project (associated 10-H forms have been attached):

- |                            |                          |
|----------------------------|--------------------------|
| • Jeff Nettleton (MTCO)    | • Clarence Mamuyac (MTW) |
| • Stephen Nelson (MTCO)    | • Denee Payne (MTW)      |
| • Joe Anderson (F&P)       | • J. Moore (PAR)         |
| • Bob Grandy (F&P)         | • M. Ahern (PAR)         |
| • Jason Isaac (F&P)        | • M. Nolte (PAR)         |
| • Dan Block (F&P)          | • M. Millett (PAR)       |
| • Carrie Carsell (F&P)     | • J. Ready (PAR)         |
| • Gloria Brill (F&P)       | • G. West (PAR)          |
| • Victoria Rose (F&P)      |                          |
| • Steven R Dalrymple (WYA) |                          |
| • Jeffrey Wanlass (WYA)    |                          |
| • Tracy L Baker (WYA)      |                          |
| • Jeffrey Tolentino (WYA)  |                          |

Below is the new phase and tasks for the above-mentioned scope:

Phase	Task	Description of Work	Previous Budget	New Budget
850	001	Project Management & Meetings	\$0.00	\$7,000.00
850	002	Additional Design & Coordination (Ramona Ave Extension – T15018400)	\$0.00	\$21,000.00
850	003	Additional Design & Coordination (Water Line – T15018402)	\$0.00	\$5,000.00
850	003	Environmental Re-Validation	\$0.00	\$2,000.00
850	004	Environmental Permits	\$0.00	\$1,000.00
850	099	Reimbursables – Pothole Utilities	\$0.00	\$10,000.00
850	100	F&P: Additional Design & Coordination (Ramona Ave Ext – T15018400)	\$0.00	\$19,779.12
850	199	F&P: Reimbursables	\$0.00	\$100.00
850	200	MTW: Additional Design & Coordination (Ramona Ave Ext – T15018400)	\$0.00	\$8,859.81
850	300	WEST: Additional Design & Coordination (Water Line – T15018402)	\$0.00	\$11,778.25
850	400	PAR: Environmental Re-Validation	\$0.00	\$12,434.71
850	401	PAR: Environmental Permits	\$0.00	\$14,922.85
850	499	PAR: Reimbursables	\$0.00	\$400.00

The total fee for tasks above is **\$114,274.74**. The breakdown is as follows:

- MTCO - \$46,000.00
- Fehr & Peers - \$19,879.12
- MTW Group - \$8,859.81
- West Yost Associates - \$11,778.25
- PAR Environmental - \$27,757.56

Below are the ODC reallocations/additions reflected on PAR's attached 10-H Form:

Description of Work	Previous Budget	New Budget
Mileage	\$680.28	\$680.28
Printing & Binding	\$5,600.00	\$6,000.00
Outside Reprographics	\$500.00	\$500.00
Mail & Delivery Services	\$600.00	\$600.00
Record Search Fees (Cultural Resources and Biology)	\$500.00	\$500.00

Thank you for considering this extra work request. If you have any questions, please contact me.

Sincerely,



Matt Brogan  
Principal/Division Manager - Sacramento

**Mark Thomas & Company, Inc.**  
**Scope & Budget Work Sheet**  
 Re-Allocation Summary

Project Number **58-0145B**

Supplemental #12  
 (PENDING)

New Budget

Phase	Task	Description of Work	Office Disc.	MTCO Budget	Subs Budget	MTCO Budget	Subs Budget
<b>100</b>		<b>TASK 1: PROJECT MANAGEMENT</b>					
	<b>001</b>	1.1 Kick-off Meeting	SA:TR			3,626.10	0.00
	<b>002</b>	1.2 Project Development Team (PDT) Meetings	SA:TR			54,356.95	0.00
	<b>003</b>	1.3 Coordination with Various Agencies	SA:TR			41,889.68	0.00
	<b>004</b>	1.4 Coordination with Subconsultants	SA:TR			44,538.16	0.00
	<b>005</b>	1.5 Progress Reports	SA:TR			567.01	0.00
	<b>006</b>	1.6 Critical Path Method (CPM) Schedule	SA:TR			283.50	0.00
	<b>007</b>	1.7 Public Meetings and Workshops	SA:TR			10,469.88	0.00
	<b>008</b>	1.8 Project Newsletter	SA:TR			0.00	0.00
	<b>009</b>	1.9 Quality Control	SA:TR			9,415.97	0.00
	<b>010</b>	1.10 Encroachment Permit/Right of Way Certification	SA:TR			6,657.03	0.00
	<b>011</b>	1.11 Railroad Coordination	SA:TR			13,836.14	0.00
	<b>012</b>	1.12 Cooperative/Maintenance Agreement	SA:TR			2,760.00	0.00
<b>150</b>		<b>TASK 2: SURVEYS &amp; BASE MAPPING</b>					
	<b>001</b>	2.1 Perform Topographic Field Surveys	SA:SU			36,270.00	0.00
	<b>002</b>	2.2 Photogrammetric Basemapping	SA:SU			0.00	0.00
<b>200</b>		<b>TASK 3: PRELIMINARY STUDIES/REPORTS</b>					
	<b>002</b>	3.1.A Ramona Avenue Extension Alternatives	SA:TR			11,384.84	0.00
	<b>003</b>	3.1.B Retaining Wall Alternatives	SA:TR			8,594.80	0.00
	<b>004</b>	3.1.C Flood Protection Alternatives	SA:TR			8,277.00	0.00
	<b>005</b>	3.1.D Folsom Boulevard Widening Alternatives	SA:TR			17,900.32	0.00
	<b>006</b>	3.2 Geometric Approval Drawings (GADs)	SA:TR			23,710.25	0.00
	<b>007</b>	3.3 Roadway Drainage Report	SA:TR			567.01	0.00
	<b>008</b>	3.4 Conduct Geotechnical Investigation	SA:TR			1,974.81	0.00
	<b>009</b>	3.5 Utility Coordination	SA:TR			27,812.77	0.00
	<b>010</b>	3.6 Aesthetic Features	SA:TR			0.00	0.00
	<b>011</b>	3.7 Type Selection	SA:TR			2,869.35	0.00
	<b>012</b>	3.8 Traffic Operations Analysis	SA:TR			0.00	0.00
	<b>013</b>	3.9 City Project Report	SA:TR			10,442.88	0.00
<b>250</b>		<b>TASK 4: RIGHT OF WAY &amp; UTILITIES</b>					
	<b>001</b>	4.1 Appraisal Maps and Exhibits	SA:TR			44,080.00	0.00
	<b>002</b>	4.2 Right of Way Acquisition Documents	SA:TR			78,620.00	0.00
	<b>003</b>	4.3 Right of Way Certification Form	SA:TR			6,380.00	0.00
<b>300</b>		<b>TASK 6: PS&amp;E</b>					
	<b>001</b>	6.1 Roadway/Structure Design	SA:TR			33,174.99	0.00
	<b>002</b>	6.2 Plan Sheets	SA:TR			191,206.04	0.00
	<b>003</b>	6.3 Traffic Signal Design/Street Lighting Design	SA:TR			0.00	0.00
	<b>004</b>	6.4 Irrigation and Landscaping Design	SA:TR			0.00	0.00
	<b>005</b>	6.5 General Cross Sections and Earthwork Calculations	SA:TR			20,240.00	0.00
	<b>006</b>	6.6 Construction Cost Estimate	SA:TR			9,340.00	0.00
	<b>007</b>	6.7 Special Provisions	SA:TR			9,698.00	0.00
	<b>008</b>	6.8 Resident Engineer's File	SA:TR			5,465.00	0.00

Phase	Task	Description of Work	Office Disc.	MTCo Budget	Subs Budget	MTCo Budget	Subs Budget
	009	6.9 Survey File	SA:TR			7,112.00	0.00
	010	6.10 Slope Stake Notes	SA:TR			12,720.00	0.00
	399	REIMBURSEABLES - Pothole Utilities	SA:TR			10,000.00	0.00
400		<b>TASK 7: BID &amp; CONSTRUCTION ASSISTANCE</b>					
	001	7.1 Bid Assistance	SA:TR			1,520.00	0.00
	002	7.2 Construction Assistance	SA:TR			410.00	0.00
	499	REIMBURSABLES - UPRR INSURANCE, ETC.	SA:TR			92.35	0.00
780		<b>SUBCONSULTANTS</b>					
	100	KATZ: PUBLIC MEETINGS & WORKSHOPS	SA:TR			0.00	7,822.00
	199	KATZ: REIMBURSABLES	SA:TR			0.00	1,300.00
	200	PAR: 1.1 KICK-OFF MEETING	SA:TR			0.00	1,484.00
	201	PAR: 1.2 PROJECT DEVELOPMENT TEAM (PDT) MEETINGS	SA:TR			0.00	13,612.50
	202	PAR: 1.3 COORDINATION WITH VARIOUS AGENCIES	SA:TR			0.00	8,145.00
	203	PAR: 5.2 PROJECT INITIATION	SA:TR			0.00	5,947.50
	204	PAR: 5.3 PREPARE CEQA NOTICE OF PREPARATION (NOP)	SA:TR			0.00	4,387.50
	205	PAR: 5.4 ENVIRONMENTAL TECHNICAL STUDIES	SA:TR			0.00	87,028.41
	206	PAR: 5.5 ENVIRONMENTAL DOCUMENT PREPARATION	SA:TR			0.00	124,011.25
	207	PAR: 5.6 SECTION 4(F)	SA:TR			0.00	0.00
	208	PAR: 5.7 PERMITS	SA:TR			0.00	0.00
	209	PAR: GHG TECH STUDY	SA:TR			0.00	5,040.00
	299	PAR: REIMBURSABLES	SA:TR			0.00	7,880.28
	300	F&P: 1.1 KICK-OFF MEETING	SA:TR			0.00	1,000.00
	301	F&P: 1.2 PROJECT DEVELOPMENT TEAM (PDT) MEETINGS	SA:TR			0.00	4,000.00
	302	F&P: 1.3 COORDINATION WITH VARIOUS AGENCIES	SA:TR			0.00	2,000.00
	303	F&P: 3.8 TRAFFIC OPERATION ANALYSIS	SA:TR			0.00	36,899.00
	304	F&P: 6.3 TRAFFIC SIGNAL DESIGN/STREET LIGHTING DESIGN	SA:TR			0.00	24,531.73
	305	F&P: 7.2 CONSTRUCTION ASSISTANCE	SA:TR			0.00	1,068.00
	306	F&P: GHG TECH STUDY	SA:TR			0.00	4,000.00
	399	F&P: REIMBURSABLES	SA:TR			0.00	5,766.27
	400	PARIKH: 3.4 CONDUCT GEOTECHNICAL INVESTIGATION	SA:TR			0.00	85,856.00
	401	PARIKH: 5.1 PHASE I ISA REPORT	SA:TR			0.00	16,364.00
	500	WYA: 3.3 ROADWAY DRAINAGE REPORT	SA:TR			0.00	52,429.00
	599	WYA: REIMBURSABLES	SA:TR			0.00	3,245.00
	600	MTW: 3.6 AESTHETIC FEATURES	SA:TR			0.00	27,221.00
	601	MTW: 6.4 IRRIGATION & LANDSCAPING DESIGN	SA:TR			0.00	21,690.00
	699	MTW: REIMBURSABLES	SA:TR			0.00	650.00
	700	RTI: 1.11 ROAD COORDINATION	SA:TR			0.00	0.00
800		<b>SUPPLEMENTAL NO. 2</b>					
	300	F&P: ADDITIONAL ANALYSIS	SA:TR			0.00	37,579.00

Phase	Task	Description of Work	Office Disc.	MTCO Budget	Subs Budget	MTCO Budget	Subs Budget
<b>810</b>		<b>SUPPLEMENTAL NO. 4</b>					
	<b>001</b>	Air Quality Conformity	SA:TR			7,814.49	0.00
	<b>002</b>	Habitat Assessment of Pools	SA:TR			955.30	0.00
	<b>003</b>	FEIR Revisions and Coordination	SA:TR			351.95	0.00
	<b>004</b>	Grant Application Material	SA:TR			7,741.02	0.00
	<b>200</b>	PAR: AIR QUALITY CONFORMITY	SA:TR			0.00	3,052.36
	<b>201</b>	PAR: HABITAT ASSESSMENT OF POOLS	SA:TR			0.00	3,450.01
	<b>202</b>	PAR: REVISIONS TO BIOLOGICAL ASSESSMENT	SA:TR			0.00	0.00
	<b>203</b>	PAR: FEIR REVISIONS AND COORDINATION	SA:TR			0.00	5,320.62
<b>820</b>		<b>SUPPLEMENTAL NO. 6</b>					
	<b>001</b>	Roundabout Concept Plan	SA:TR			3,483.48	0.00
	<b>002</b>	PEER Process	SA:TR			4,637.38	0.00
	<b>003</b>	Retaining Wall Type Selection Report	SA:TR			9,105.68	0.00
	<b>300</b>	F&P: ROUNDABOUT CONCEPT REPORT	SA:TR			0.00	5,500.00
<b>840</b>		<b>SUPPLEMENTAL NO. 10</b>					
	<b>001</b>	Project Management	SA:TR			6,268.72	0.00
	<b>002</b>	Project Team Meetings	SA:TR			4,344.28	0.00
	<b>003</b>	Technical Memorandum	SA:TR			14,504.85	0.00
	<b>004</b>	Additional UPRR Correspondence	SA:TR			21,287.17	0.00
	<b>005</b>	Railroad & CPUC Coordination	SA:TR			9,213.08	0.00
	<b>006</b>	Additional Design - C Street Closure	SA:TR			30,977.10	0.00
	<b>007</b>	Ramona Avenue 60% Design Submittal	SA:TR			8,742.43	0.00
<b>850</b>		<b>SUPPLEMENTAL NO. 12 (PENDING)</b>					
	<b>001</b>	Project Management & Meetings	SA:TR	7,000.00		7,000.00	0.00
	<b>002</b>	Additional Design & Coordination (Ramona Ave Extension - T15018400)	SA:TR	21,000.00		21,000.00	0.00
	<b>003</b>	Additional Design & Coordination (Water Line - T15018402)	SA:TR	5,000.00		5,000.00	0.00
	<b>004</b>	Environmental Re-Validation	SA:TR	2,000.00		2,000.00	0.00
	<b>005</b>	Environmental Permits	SA:TR	1,000.00		1,000.00	0.00
	<b>099</b>	REIMBURSEABLES - Pothole Utilities	SA:TR	10,000.00		10,000.00	0.00
	<b>100</b>	F&P: ADDITIONAL DESIGN & COORDINATION (RAMONA AVE EXT - T15018400)	SA:TR		19,779.12	0.00	19,779.12
	<b>199</b>	F&P: REIMBURSABLES	SA:TR		100.00	0.00	100.00
	<b>200</b>	MTW: ADDITIONAL DESIGN & COORDINATION (RAMONA AVE EXT - T15018400)	SA:TR		8,859.81	0.00	8,859.81
	<b>300</b>	WYA: ADDITIONAL DESIGN & COORDINATION (WATER LINE - T15018402)	SA:TR		11,778.25	0.00	11,778.25
	<b>400</b>	PAR: ENVIRONMENTAL RE-VALIDATION	SA:TR		12,434.71	0.00	12,434.71
	<b>401</b>	PAR: ENVIRONMENTAL PERMITS	SA:TR		14,922.85	0.00	14,922.85
	<b>499</b>	PAR: REIMBURSEABLES	SA:TR		400.00	0.00	400.00
		<b>Sub Total</b>		<b>\$ 46,000.00</b>	<b>\$ 68,274.74</b>	<b>\$ 943,689.76</b>	<b>\$ 676,555.17</b>
		<b>Grand Total</b>		<b>\$ 114,274.74</b>		<b>\$ 1,620,244.93</b>	

- Prior MTCO Budget - \$1,505,970.19

- Supplement #12 (Pending Budget) - \$114,274.74

- Total Contract from Summary (Previous PO) - \$550,535.32

- Grand Total after approval of Supplement #12 - \$2,170,780.25

Folsom-Ramona Ave Extension (Supplement #12)

Mark Thomas & Company, Inc.

	Mark Thomas & Company, Inc.										
	Staff Name and or Classification		Matt Brogan Principal/Proj Mgr	Aaron Silva Sr. Proj Engineer	Matthew Magaw Des Engineer	Hours Subtotal	Labor Costs	OH + Fringe 137.32%	Fee 10%	Total Cost	
	Actual										
	Hourly Rate	\$	110.00	\$	43.26	\$	31.00				
	Hours										
Task 001 Project Management & Meetings			16		18		9	43 \$ 2,830.39	\$ 3,886.69	\$ 283.04	\$ 7,000
Task 001 Subtotal			16		18		9	43 \$ 2,830.39	\$ 3,886.69	\$ 283.04	\$ 7,000
Task 002 Additional Design & Coordination (Ramona Ave Ext - T15018400)			10		83		123	216 \$ 8,490.87	\$ 11,659.66	\$ 849.09	\$ 21,000
Task 002 Subtotal			10		83		123	216 \$ 8,490.87	\$ 11,659.66	\$ 849.09	\$ 21,000
Task 003 Additional Design & Coordination (Water Line - T15018402)			9		17		10	36 \$ 2,021.63	\$ 2,776.10	\$ 202.16	\$ 5,000
Task 003 Subtotal			9		17		10	36 \$ 2,021.63	\$ 2,776.10	\$ 202.16	\$ 5,000
Task 004 Environmental Re-Validation			3		8		4	15 \$ 808.76	\$ 1,110.59	\$ 80.88	\$ 2,000
Task 004 Subtotal			3		8		4	15 \$ 808.76	\$ 1,110.59	\$ 80.88	\$ 2,000
Task 005 Environmental Permits			1		5		3	9 \$ 404.42	\$ 555.35	\$ 40.44	\$ 1,000
Task 005 Subtotal			1		5		3	9 \$ 404.42	\$ 555.35	\$ 40.44	\$ 1,000
Total			39		131		148	318 \$ 14,556.07	\$ 19,988.39	\$ 1,455.61	\$ 36,000
Other Direct Costs (Pothole Utilities)											\$ 10,000
Grand Total											\$ 46,000



**CITY OF SACRAMENTO 10-H FORM**  
 Approved with Supplement # (type Original if it is the Original): 12  
**CONTRACTOR Name:** Mark Thomas & Company, Inc. **Date:** 3/3/2016  
**Project Name:** Folsom Blvd/Ramona Avenue  
**Project #:** T15018400, MTCO Project #58-0145B

**Fringe Benefit %**                      +    **\*Overhead %**                      =                      **Combined %**  
 38.87%                                      98.45%                                      137.32%

**Profit %:**                                      10.00%  
**[Actual Base Hourly Rate Paid to Employee + (Actual Base Hourly Rate Paid to Employee x Combined %)] = A**  
**A x Profit % = B                      A + B = Actual Fully Loaded Hourly Rate**

Key Staff	Prevailing Wage	Classification	Name	Actual Base Hourly Rate Paid to Employee For Reference Only (Does not include any Fringe or OH)	Actual Fully Loaded Hourly Rate For Reference Only (Includes Fringe, OH & Profit)	Approved Flat Hourly Billing Rate
X		Principal/Project Manager	Robert Himes	\$136.78	\$357.07	\$357.07
X		Principal/Project Manager	Robert (Matt) Brogan	\$110.00	\$287.16	\$287.16
X		Senior Project Manager	Garry Horton	\$90.00	\$234.95	\$234.95
		Structural Manager	Julia Passalacqua	\$43.67	\$114.00	\$114.00
		Engineering Manager	Eric Fredrickson	\$84.50	\$220.59	\$220.59
		Senior Project Engineer	James Pangburn	\$43.26	\$112.93	\$112.93
		Senior Project Engineer	Aaron Silva	\$43.26	\$112.93	\$112.93
		Senior Project Engineer	Andrew Lee	\$43.26	\$112.93	\$112.93
		Senior Project Engineer	Jason Hickey	\$39.66	\$103.53	\$103.53
		Senior Design Engineer	Victor Sharby	\$31.67	\$82.68	\$82.68
		Senior Design Engineer	Jony Tji	\$31.67	\$82.68	\$82.68
		Project Engineer	Truong Pham	\$31.13	\$81.27	\$81.27
		Design Engineer	Kira Davis	\$31.93	\$83.35	\$83.35
		Design Engineer	Kyle Friedrich	\$31.00	\$80.93	\$80.93
		Design Engineer	Jonathan Hernandez	\$31.00	\$80.93	\$80.93
		Design Engineer	Jose Bygoylia-Amaya	\$31.00	\$80.93	\$80.93
		Design Engineer	Jonathan Eden	\$31.00	\$80.93	\$80.93
		Design Engineer	Matthew Magaw	\$31.00	\$80.93	\$80.93
		Design Engineer	Spencer Ord	\$31.00	\$80.93	\$80.93
		Design Engineer	Leslie Fung	\$31.00	\$80.93	\$80.93
		Engineering/Survey/CADD Tech	Alan Miller	\$34.92	\$91.16	\$91.16
		Engineering/Survey/CADD Tech	Jarlet Doty	\$32.55	\$84.97	\$84.97
		Engineering/Survey/CADD Tech	Galina Boyko	\$26.65	\$69.57	\$69.57
		Engineering/Survey/CADD Tech	Christopher Davis	\$25.75	\$67.22	\$67.22
		Engineering/Survey/CADD Tech	Erik Keethe	\$28.27	\$68.58	\$68.58
		Engineering/Survey/CADD Tech	Samuel McIntyre	\$20.60	\$53.78	\$53.78
		Design (Tech Assistants)	Spencer Lee	\$15.00	\$39.16	\$39.16
		Design (Tech Assistants)	Austin Allen	\$15.00	\$39.16	\$39.16
		Design (Tech Assistants)	Eduard Muzychuk	\$15.00	\$39.16	\$39.16
		Design (Tech Assistants)	Ryan Payne	\$15.00	\$39.16	\$39.16
		Design (Tech Assistants)	Celia Andrade	\$15.00	\$39.16	\$39.16
		Surveyor Manager	Matthew Stringer	\$50.06	\$130.68	\$130.68
		Survey Manager	Brandon Benton	\$50.06	\$130.68	\$130.68
		Project Surveyor	Ryan Michalak	\$31.04	\$81.03	\$81.03
	X	Field Party Chief	Octavio Senda	\$37.37	\$97.56	\$97.56
	X	Field Party Chief	Michael Oliveira	\$36.30	\$94.76	\$94.76
	X	Field Party Chairman	Joseph Pivarnik	\$31.32	\$81.76	\$81.76
		Project Coordinator	Martayna Harney	\$25.75	\$67.22	\$67.22
		Administrative	Ashley Green	\$20.70	\$54.04	\$54.04
		Engineering/Survey/CADD Tech	Eric Seibel	\$30.00	\$78.32	\$78.32
		Design (Tech Assistants)	John Channell	\$15.00	\$39.16	\$39.16
		Design (Tech Assistants)	Joshua Iniguez	\$15.00	\$39.16	\$39.16
		Design (Tech Assistants)	Ashley Areola	\$15.00	\$39.16	\$39.16
		Design (Tech Assistants)	Colleen O'Keefe	\$15.00	\$39.16	\$39.16
	X	Apprentice		\$16.05	\$41.90	\$41.90
		Administrative	Shelby Navarro	\$17.00	\$44.38	\$44.38

Other Direct Costs (ODC) Items and Rates	Estimated ODC Budgets Shall Be Included in Cost Proposal	Description	Rate	Total
		Pothole Utilities	At Cost	\$20,000.00
		Survey Supplies/Traffic Control	At Cost	\$92.35
			Estimated Total ODC Amount:	\$20,092.35

Approved with Supplement # (type Original if it is the Original): 12  
 CONTRACTOR Name: Mark Thomas & Company, Inc. Date: 3/3/2016  
 Project Name: Folsom Blvd/Ramona Avenue  
 Project #: T15018400, MTCO Project #58-0145B

Fringe Benefit % + Overhead % = Combined %  
 38.87% 58.45% 137.32%

Profit %: 10.00%  
 [Actual Base Hourly Rate Paid to Employee + (Actual Base Hourly Rate Paid to Employee x Combined %)] = A  
 A x Profit % = B A + B = Actual Fully Loaded Hourly Rate

Key Staff	Prevailing Wage	Classification	Name	Actual Base Hourly Rate Paid to Employee For Reference Only (Does not include any Fringe or OH)	Actual Fully Loaded Hourly Rate For Reference Only (Includes Fringe, OH & Profit)	Approved Flat Hourly Billing Rate
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1. List all Professional and Supervisory staff by Classification and Name. For staff not listed by name but by classification only, a current payroll document identifying their actual base hourly rate shall be provided with every invoice where an unlisted staff bills time. The approved flat hourly billing rates for all employees will be calculated and reimbursed based on their actual base hourly rates per the date noted above unless CITY Project Manager assigns a fair and reasonable flat hourly billing rate for selected employees. For staff not listed by name but by classification only, the reimbursement will not exceed the approved flat hourly billing rate for that classification. Approved flat hourly billing rates for new employees hired after the date of this cost proposal will not exceed (or shall be in line with) the rates of similar personnel with similar experience listed on this cost proposal. The approved flat hourly billing rate shall be all-inclusive, including all mark-ups, fringe, and overhead expenses and profit.
2. Key Staff shall be determined by CITY Project Manager. (i.e., named Project Manager, a specific Principal Engineer, a specific Structural Engineer, etc. Note Key staff with an "X" in the Key Staff column.
3. The employees' actual base hourly rates used to negotiate the flat hourly billing rates in this 10-H Form are the rates that were effective per the date noted above. Addition of new staff, new classifications, or addition of a SUBCONTRACTOR not previously listed on the approved 10-H Form(s) shall require written approval from the CITY. No work shall commence until the approval is provided by the CITY. New staff shall be paid at the same or lower approved flat hourly billing rate of the previously approved or similar classification. In addition, if the substitution involves Key Staff, CONTRACTOR must request and justify the need for the substitution and obtain approval from CITY Project Manager. Substituted Key Staff shall be as qualified as the original.
4. Approved flat hourly billing rates include all standard equipment including laptop, camera, cell phone, truck, standard personal safety equipment. CITY Project Manager shall approve any other direct costs.
5. Note employees/classifications that are subject to prevailing wage requirements with an "X" in the Prevailing Wage column. Prevailing Wage specified is based on current Department of Industrial Relations (DIR) determination. CONTRACTOR shall be responsible for any future adjustments to the prevailing wage, including but not limited to, base hourly rates and employer payments as determined by the DIR. CONTRACTOR is responsible for paying the appropriate rate, including escalations that take place during the term of the Agreement. CONTRACTOR shall be reimbursed at the above listed approved flat hourly billing rates.
6. Overtime may be reimbursed to classifications where it is required by their union contracts (Prevailing Wage classifications). Overtime will not be charged unless prior written approval is received by CITY Project Manager. CITY shall pay CONTRACTOR at the approved overtime rates noted above. CONTRACTOR shall pay prevailing wage employees per prevailing wage guidelines.
7. Local transportation costs resulting from commuting to and from the employee's residence to the office or job site are not reimbursable.
8. The Project will not reimburse CONTRACTOR for costs to relocate its staff to the geographic area of the contract. The Project will not reimburse CONTRACTOR for any per diem.
9. ODC items are to be in compliance with Code of Federal Regulations, Title 48 Part 31 [Federal Acquisition Regulations (FAR) cost principles] and the firm's company-wide allocation policies and charging practices with all clients including federal government, state government, local agencies and private clients.

By signing here, you agree to the terms above, and attest that all information is accurate and true.

  
 CONTRACTOR/SUBCONTRACTOR Project Manager's Signature:  
 Matt Brogan, Principal

# FEHR & PEERS

December 1, 2015

Aaron Silva  
Mark Thomas & Company  
7300 Folsom Boulevard, Suite 203  
Sacramento, CA 95826

Re: Folsom Ave Improvements & Ramona Ave Extension (58-0145B)

Dear Aaron:

Fehr & Peers would like to request the addition of the following personnel and rates to those currently included on the Cost Proposal (10-H).

Name	Classification	Initial Hourly Rate
Lindsey Soza	Associate	\$38.94
Danny Murphy	Engineer/Planner III	\$30.29
JoLynn Souto	Senior Administrative Assistant	\$26.44

Fehr & Peers would like to remove the following personnel from the Cost Proposal (10-H):

Joe Anderson  
Bob Grandy  
Jason Isaac  
Dan Block  
Carrie Carsell  
Gloria Brill  
Victoria Rose

Sincerely,



Kristin Calia  
Fehr & Peers

**CITY OF SACRAMENTO 10-H FORM**  
**Approved with Supplement # (type Original if it is the Original): Supplement #12**  
**CONTRACTOR Name: Fehr & Peers** **Date: 12.2.16**  
**Project Name: Ramona Avenue Extension**  
**Project #: T15018400**

Fringe Benefit %			+	*Overhead %	=	Combined %
54.93%				125.54%		180.47%
Profit %:				10.00%		
(Actual Base Hourly Rate Paid to Employee + (Actual Base Hourly Rate Paid to Employee x Combined %)) = A						
A x Profit % = B			A + B = Actual Fully Loaded Hourly Rate			
Key Staff	Prevailing Wage	Classification	Name	Actual Base Hourly Rate Paid to Employee For Reference Only (Does not include any Fringe or OH)	Actual Fully Loaded Hourly Rate For Reference Only (Includes Fringe, OH & Profit)	Approved Flat Hourly Billing Rate
		Sr. Associate II	Kristin Calla	\$57.69	\$177.98	\$177.98
		Sr. Engineer Technician IV	Mike Johnstone	\$42.31	\$130.53	\$130.53
		Sr. Engineer Technician IV	James Sellards	\$40.38	\$124.58	\$124.58
		Engineer/ Planner III	Danny Murphy	\$30.29	\$93.45	\$93.45
		Sr. Engineer Technician II	Beverly Willott	\$31.25	\$96.41	\$96.41
		Technician III	Raynon Cairis	\$26.50	\$81.76	\$81.76
		Associate	Lindsey Soza	\$36.94	\$120.14	\$120.14
		Sr. Admin Assistant	JoLynn Souto	\$28.44	\$81.57	\$81.57
					\$0.00	\$0.00
					\$0.00	\$0.00

Other Direct Costs (ODC) Items and Rates	Estimated ODC Budgets Shall Be Included in Cost Proposal.	Description	Rate
		Mileage	180.93
		Mail & Delivery	33.99
		Traffic Counts	1478.5
		Reproduction	\$4,161.86

- List all Professional and Supervisory staff by Classification and Name. For staff not listed by name but by classification only, a current payroll document identifying their actual base hourly rate shall be provided with every invoice where an unlisted staff bills time. The approved flat hourly billing rates for all employees will be calculated and reimbursed based on their actual base hourly rates per the date noted above unless CITY Project Manager assigns a fair and reasonable flat hourly billing rate for selected employees. For staff not listed by name but by classification only, the reimbursement will not exceed the approved flat hourly billing rate for that classification. Approved flat hourly billing rates for new employees hired after the date of this cost proposal will not exceed (or shall be in line with) the rates of similar personnel with similar experience listed on this cost proposal. The approved flat hourly billing rate shall be all-inclusive, including all mark-ups, fringe, and overhead expenses and profit.
- Key Staff shall be determined by CITY Project Manager. (i.e., named Project Manager, a specific Principal Engineer, a specific Structural Engineer, etc. Note Key staff with an "X" in the Key Staff column.
- The employees' actual base hourly rates used to negotiate the flat hourly billing rates in this 10-H Form are the rates that were effective per the date noted above. Addition of new staff, new classifications, or addition of a SUBCONTRACTOR not previously listed on the approved 10-H Form(s) shall require written approval from the CITY. No work shall commence until the approval is provided by the CITY. New staff shall be paid at the same or lower approved flat hourly billing rate of the previously approved or similar classification. In addition, if the substitution involves Key Staff, CONTRACTOR must request and justify the need for the substitution and obtain approval from CITY Project Manager. Substituted Key Staff shall be as qualified as the original.
- Approved flat hourly billing rates include all standard equipment including laptop, camera, cell phone, truck, standard personal safety equipment, CITY Project Manager shall approve any other direct costs.
- Note employees/classifications that are subject to prevailing wage requirements with an "X" in the Prevailing Wage column. Prevailing Wage specified is based on current Department of Industrial Relations (DIR) determination. CONTRACTOR shall be responsible for any future adjustments to the prevailing wage, including but not limited to, base hourly rates and employer payments as determined by the DIR. CONTRACTOR is responsible for paying the appropriate rate, including escalations that take place during the term of the Agreement. CONTRACTOR shall be reimbursed at the above listed approved flat hourly billing rates.
- Overtime may be reimbursed to classifications where it is required by their union contracts (Prevailing Wage classifications). Overtime will not be charged unless prior written approval is received by CITY Project Manager. CITY shall pay CONTRACTOR at the approved overtime rates noted above. CONTRACTOR shall pay prevailing wage employees per prevailing wage guidelines.
- Local transportation costs resulting from commuting to and from the employee's residence to the office or job site are not reimbursable.
- The Project will not reimburse CONTRACTOR for costs to relocate its staff to the geographic area of the contract. The Project will not reimburse CONTRACTOR for any per diem.
- ODC Items are to be in compliance with Code of Federal Regulations, Title 48 Part 31 (Federal Acquisition Regulations (FAR) cost principles) and the firm's company-wide policies relating and describing practices with all clients including federal government, state government, local agencies and private clients.

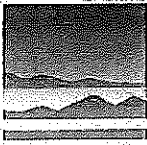
By signing here, you agree to the terms above, and attest that all information is accurate and true.

  
 CONTRACTOR/SUBCONTRACTOR Project Manager's Signature  
 Kristin Calla

# COST PROPOSAL

## Folsom Blvd. Improvements-Ranoma Avenue Extension

Fehr & Peers													
Task 100 Additional Design & Coordination (Ranoma Ave Ext. T15018400	Staff Name and or Classification	Kristin Calla Sr. Associate II	Mike Johnstone Sr. Engineer Tech IV	James Sellards Sr. Engineer Tech IV	Danny Murphy Engineer/Planner III	Beverly Willett Sr. Engr. Tech II	Raymon Catts Technician III	Lindsey Soza Associate	Jolynn Souto Sr. Admin Assistant	Hours	Subtotal	Labor Costs	OH + Fringe 180.47%
	Profit	10%											
	Total Cost												
	Actual Base												
	Hourly Rate \$	57.69	\$ 42.31	\$ 40.38	\$ 30.29	\$ 31.25	\$ 26.50	\$ 38.94	\$ 26.44				
	Hours	29	2	68	4	6	48	5	5	167	\$ 6,411.03	\$ 11,569.99	\$ 1,798.10
	Subtotal	29	2	68	4	6	48	5	5	167	6,411.03	11,569.99	1,798.10
	Subtotal												
	Subtotal												
	Subtotal												
Mail & Delivery													
ODC Subtotal													
Grand Total													



MTW g r o u p

LANDSCAPE ARCHITECTURE AND PLANNING

March 3, 2016

Aaron Silva  
Mark Thomas & Company  
7300 Folsom Blvd., Suite 203  
Sacramento, CA 95826

RE: Folsom Blvd/Ramona Blvd

Dear Aaron:

Enclosed is our update 10H form for use in your updated proposal. You will note the following changes that have occurred since our original 10H was approved in May of 2008:

1. Clarence Mamuyac is removed as he is now deceased.
2. Erik Reyes-Diaz is a newly-hired AutoCAD Technician at rate of \$21.00.
3. Denee Payne is removed as she is no longer with the firm.

You will also find enclosed our fee proposal for the new scope of work. Please feel free to give me a call if you have any questions.

Sincerely,

Andrzej J. Woroniccki, ASLA  
Principal

Approved with Supplement # (type Original if it is the Original): Supplement #12/2015

CONTRACTOR Name: MTW Group Date: 11/30/2015

Project Name: Folsom Blvd/Ramona Blvd

Project #: T15018400

Fringe Benefit %	+	*Overhead %	=	Combined %
30.00%		75.00%		105.00%

Profit %: 10.00%

$$\frac{[\text{Actual Base Hourly Rate Paid to Employee} + (\text{Actual Base Hourly Rate Paid to Employee} \times \text{Combined \%})]}{A \times \text{Profit \%} = B} \quad A + B = \text{Actual Fully Loaded Hourly Rate}$$

Key Staff	Prevailing Wage	Classification	Name	Actual Base Hourly Rate Paid to Employee For Reference Only (Does not include any Fringe or OH)	Actual Fully Loaded Hourly Rate For Reference Only (Includes Fringe, OH & Profit)	Approved Flat Hourly Billing Rate
		Principal Designer	Andrzej Woronicki	\$45.97	\$103.66	\$103.66
		Project Manager	Peter Larimer	\$25.50	\$57.51	\$57.51
		Technician	Bryan Walker	\$21.00	\$47.36	\$47.36
		AutoCAD Technician	Enk Reyes-Diaz	\$21.00	\$47.36	\$47.36
		Clerical	Tammy Parker	\$27.50	\$62.01	\$62.01

[illegible]

1. List all Professional and Supervisory staff by Classification and Name. For staff not listed by name but by classification only, a current payroll document identifying their actual base hourly rate shall be provided with every invoice where an untitled staff bill is firm. The approved flat hourly billing rates for all employees will be calculated and reimbursed based on their actual base hourly rates per the date noted above unless CITY Project Manager assigns a fair and reasonable flat hourly billing rate for selected employees. For staff not listed by name but by classification only, the reimbursement will not exceed the approved flat hourly billing rate for that classification. Approved flat hourly billing rates for new employees hired after the date of this cost proposal will not exceed (or shall be in line with) the rates of similar personnel with similar experience listed on this cost proposal. The approved flat hourly billing rate shall be all-inclusive, including all mark-ups, fringe, and overhead expenses and profit.
2. Key Staff shall be determined by CITY Project Manager. (i.e., named Project Manager, a specific Principal Engineer, a specific Structural Engineer, etc. Note Key Staff with an "X" in the Key Staff column.
3. The employees' actual base hourly rates used to negotiate the flat hourly billing rates in this 10-H Form are the rates that were effective per the date noted above. Addition of new staff, new classifications, or addition of a SUBCONTRACTOR not previously listed on the approved 10-H Form(s) shall require written approval from the CITY. No work shall commence until the approval is provided by the CITY. New staff shall be paid at the same or lower approved flat hourly billing rate of the previously approved or similar classification. In addition, if the substitution involves Key Staff, CONTRACTOR must request and justify the need for the substitution and obtain approval from CITY Project Manager. Substituted Key Staff shall be as qualified as the original.
4. Approved flat hourly billing rates include all standard equipment including laptop, camera, cell phone, truck, standard personal safety equipment. CITY Project Manager shall approve any other direct costs.
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6. Overtime may be reimbursed to classifications where it is required by their union contracts (Prevailing Wage classifications). Overtime will not be charged unless prior written approval is received by CITY Project Manager. CITY shall pay CONTRACTOR at the approved overtime rates noted above. CONTRACTOR shall pay prevailing wage employees per prevailing wage guidelines.
7. Local transportation costs resulting from commuting to and from the employee's residence to the office or job site are not reimbursable.
8. The Project will not reimburse CONTRACTOR for costs to relocate its staff to the geographic area of the contract. The Project will not reimburse CONTRACTOR for any per diem.
9. ODC items are to be in compliance with Code of Federal Regulations, Title 48 Part 31 [Federal Acquisition Regulations (FAR) cost principles] and the firm's company-wide allocation policies and charging practices with all clients including federal government, state government, local agencies and private clients.

By signing here, you agree to the terms above, and attest that all information is accurate and true.

CONTRACTOR/SUBCONTRACTOR Project Manager's Signature

(type/print name here) **ANDRZEJ WORONIECKI**

RAMONA AVENUE EXTENSION

MTW Group, Inc.										
Staff Name and or Classification	Andzej Moron / Prin Design	Bryan Walker / Technician	Tammy Parker / Clerical	Hours Subtotal	Labor Costs	OH + Fringe 105%	Fee 10%	Total Cost		
Actual Hourly Rate	\$ 45.97	\$ 21.00	\$ 27.50							
Task 200 Additional Design & Coordination (Ramona Ave Ext - T15018400) Planting Plan Revisions Irrigation Plan Revisions Specs/Water Use Calcs Task 200 Subtotal	Hours 26 Hours 26 Hours 20	18 18 0		44 44 22	\$ 1,573.22 \$ 1,573.22 \$ 974.40	\$ 1,651.88 \$ 1,651.88 \$ 1,023.12	\$ 157.32 \$ 157.32 \$ 97.44	\$ 3,382.42 \$ 3,382.42 \$ 2,094.96		
Total	72	36	2	110	\$ 4,120.84	\$ 4,326.88	\$ 412.08	\$ 8,859.81		
Other Direct Costs										
Grand Total								<u>\$ 8,859.81</u>		





ESTABLISHED 1982

# PAR ENVIRONMENTAL SERVICES, INC.

Environmental Planning Services and Cultural Resource Management

March 3, 2016

Matt Brogan  
Mark Thomas & Company, Inc  
7300 Folsom Boulevard, Suite 203  
Sacramento, CA 95826

**RE: ENVIRONMENTAL SUPPORT SERVICES FOR RAMONA AVENUE EXTENSION TO FOLSOM BOULEVARD AND FOLSOM BOULEVARD WIDENING PROJECT, CITY OF SACRAMENTO, CALIFORNIA**

Dear Matt,

As requested by Ms. Marlayna Harney, we have modified our scope of work (previously email to your office) by reducing hours for the outlined tasks and eliminating the pre-construction biological surveys and support. We have also adjusted our 10-H and cost spreadsheet to match the previous overhead rate. We have not worked on the Ramona project in several years and our staff and titles have changed. Ms. Harney asked me to provide information on our new staff. The following applies to the staff listed on the revised 10-H form.

**NEW ADDITIONS:**

Tami Mihm, Sr. Environmental Planner (\$37.35)  
Sarah Heffner, Sr. Historical Archaeologist (\$27.81)  
Joshua Allen, Archaeologist II (\$22.27)  
Andrea E. Maniery, Archaeologist II (\$22.27)  
Mallory Triplett, Archaeologist I (\$17.51)  
Laura Zajac, Environmental Coordination (\$16.82)

**STAFF NO LONGER WITH THE FIRM:**

J. Moore  
M. Ahern  
M. Nolte  
M. Millett  
J. Readye  
G. West

Let me know if you have any other questions.

Sincerely,

PAR ENVIRONMENTAL SERVICES, INC.

*James G. Maniery*  
James Gary Maniery  
Director, Environmental Planning

JGM:ldm

## **TASK 400: ENVIRONMENTAL RE-VALIDATION**

### ***What is an Environmental Re-Validation and why is it needed?***

In accordance with the Federal Highway Administration (FHWA) regulations to implement the National Environmental Policy Act (NEPA) (23 CFR 771) and Technical Advisory T6640.8A, there are circumstances and thus direction needed when a project's NEPA documentation must be re-examined. A distinction is made under 23 CFR 771.129 regarding Re-evaluations and their applicability to an Environmental Impact Statement (EIS) versus other NEPA findings such as Categorical Exclusions (CE's) and FONSI's. Basically a written evaluation, with a three-year timeframe applies only to an EIS; whereas, a NEPA/CEQA **Re-Validation form** has been developed for projects proceeding to the next major federal approval. In short, FHWA (Caltrans under delegated authority) must consult (ensure that the original environmental document/determination is still valid) prior to requesting any major approvals from FHWA (e.g., right-of-way acquisition, final design, etc).

MTCO has proceeded to the final design phase for the Ramona project and right-of-way acquisition has been initiated. To this end, PAR planning staff proposes to assess whether or not the NEPA FONSI remains valid for the project. The assessment will be completed in consultation with Caltrans District 03 and specifically address the following:

1. Is the original FONSI still valid, and can the project proceed?
2. Is additional documentation needed to maintain the validity of the original FONSI due to changes in project scope, circumstances or environmental requirements (but does not require the preparation of a new or higher level document)?  
or
3. Is the original environmental document/determination no longer the appropriate determination or document and some other document must be prepared?

Completion of a NEPA/CEQA Re-Validation form is predicated on meeting with the MTCO design team to establish what, if any, substantial changes in the project final design have occurred. PAR will then examine the original technical studies (including recommended mitigation measures) appended to and certified in the environmental document to determine their

validity. In addition, an assessment will be made of significant changes in laws and regulations, nature and severity of environmental impacts, changes in environmental commitments—avoidance, minimization, and/or mitigation. Continuation sheets may be used if additional information is needed to maintain the validity of the Re-Validation form.

The draft Re-Validation form with continuation sheets (as needed) will be submitted to MTCO, City of Sacramento, and Caltrans District 03 for review. PAR will respond to an initial set of comments, and then one final screen check set prior to submitting the final product.

#### **TASK 401: PERMITS**

PAR will provide the necessary supporting documentation and assist in the compilation of permit applications. All permit fees will be paid by either the City of Sacramento or MTCO. As stated in the final Ramona EIR/EA (July 2012) and the CEQA MMP the following permits/approvals are needed for the project:

- National Pollution Discharge Elimination System (NPDES) General Construction Storm Water Permit;
- Waste Discharge Requirements (WDR); and
- Compliance with Section 7 of the Federal Endangered Species Act.

#### **National Pollution Discharge Elimination System (NPDES)**

A NPDES General Construction Storm Water permit is required if the area of land to be graded, excavated, or otherwise disturbed will be one acre or more, or if the area is under one acre and the construction project will affect water quality. The City's contractor shall file Permit Registration Documents that will include a Notice of Intent, calculation of risk level, a Storm Water Pollution Prevention Plan (SWPPP), and other compliance related documents required by the General (Construction) Permit. These permits are mandated by the California Regional Water Quality Control Board (CRWQCB [Central Valley]). The SWPPP must be prepared by a qualified SWPPP developer. PAR in conjunction with MTCO will provide any necessary background information to the City's designated SWPPP consultant. Information includes, but may not be limited to, construction plan sheets and environmental clearance documentation.

PAR's role is to assist in answering questions that may come up during the process of obtaining these permits. PAR will not fill out or submit the actual application(s).

### **Waste Discharge Requirements (WDR)**

A Waste Discharge Requirement is required by the CRWQCB (under Section 13260) which states that persons discharging or proposing to discharge waste that could affect the quality of the waters of the State, other than into a community sewer system, must file a Report of Waste Discharge (ROWD). The application process requires coordination with a CRWQCB representative and payment of a fee.

The Ramona final EIR/EA points out only non-jurisdictional waters of the State (waters not under federal jurisdiction, or non-federal waters) are present at the project site. It suggests that under the California Porter-Cologne Water Quality Act, the project will require a WDR (despite only having non-jurisdictional wetlands) because the Act is applicable to all waters of the state including isolated wetlands. This type of wetland is present at the Ramona project site.

The application process used to initiate the NPDES permit is the same for the WDR; therefore, PAR assumes the City's construction contractor will be obtaining the WDR concurrently with the NPDES/SWPPP.

PAR's role is to assist in answering questions that may come up during the process of obtaining the WDR permit. PAR will not fill out or submit the actual application.

### **Section 7 of the Federal Endangered Species Act**

The Ramona project site supports vernal pool invertebrates (i.e., California Fairy Shrimp) that were identified by PAR biologists during wet and dry season sampling conducted in 2004 and 2005. These findings along with mitigation measures are documented in the final EIR/EA (July 2012) and the CEQA MMP. Fairy Shrimp are a federally listed species; therefore, formal consultation was initiated with the United States Fish and Wildlife Service (USFWS). The Service issued a biological opinion (BO) on May 23, 2012. The BO outlined the following mitigation.

Mitigation entails the City of Sacramento purchasing wetland credits at a USFWS-approved site in Sacramento County for preserved vernal pools habitat at a ratio of 3:1 for direct impacts (0.012 acres) and 2:1 for indirect impacts

(0.561) under the Preferred Alternative (Alternative 1, Design Option 2). In April 2012, the City discussed a confidential cost to purchase credits at the Westervelt/Van Vleck Mitigation Bank Located in Sacramento County.

PAR in collaboration with MTCO will work with the City's project manager to obtain (i.e., purchase) credits from the above referenced mitigation bank. PAR will coordinate with the Mitigation Bank, provide any necessary documentation and on behalf of the City, file a copy of the receipt with Caltrans District 03 to fulfill the Departments requirements with NEPA. The purchase of credits will be completed prior to construction.

PAR will provide the City's construction contractor a copy of the BO prior to grading. We will prepare a post construction project report that will be submitted to Caltrans District 03 (to fulfill the USFWS BO requirements) within six months of completion of construction activities. In addition, PAR will produce bi-weekly updates of take during construction.

## **SCHEDULE**

PAR will begin work on the referenced environmental Re-Validation, and permit assistance within two weeks of a written notice-to-proceed and signed contract. The scheduled tasks are slated to begin once the draft PS&E has been completed and/or six to nine months prior to construction. Work authorization is tentatively slated to begin in late January 2016 and be completed by July 2016.

## **ASSUMPTIONS**

PAR assumes three meetings will be necessary for the referenced tasks. We assume that a 401/404 Water Quality and 1600 streambed alternation agreement permits are not needed for the Ramona project; therefore, this scope does not include coordination or meetings with the United States Army Corps of Engineers or the California Fish & Wildlife Service. In addition, we have budget for two rounds of comments on deliverables. If additional, time is required to attend meetings, coordinate with the agencies named, or multiple reviews, PAR will request a change in the scope and fee as presented herein.

RAMONA AVENUE EXTENSION

PAR ENVIRONMENTAL SERVICES, INC.

	Staff Name		James G. Maniery / Principal		Tami Milhm / Sr. Env Plan		Amber Rankin / Graphic Artist		Laura Zaljac / Env. Coord		Jessica O'Connor / Admin Asst- Env Coord		Hours Subtotal	Labor Costs	OH + Fringe 141%	Fee 8%	Total Cost
	Actual Hourly Rate																
Task 400 Re-Validation																	
Research	Hours	28		8				84					120	\$ 3,251.68	\$ 4,584.87	\$ 260.13	\$ 8,096.68
Site Visit	Hours	4		4				4					12	\$ 436.68	\$ 615.72	\$ 34.93	\$ 1,087.33
Report	Hours	8		2				40					56	\$ 1,305.50	\$ 1,840.76	\$ 104.44	\$ 3,250.70
Task 400 Subtotal		40		14				128					188	\$ 4,993.86	\$ 7,041.34	\$ 399.51	\$ 12,434.71
Task 401 Permits																	
Research/Coord.	Hours	28		2				8					38	\$ 1,713.91	\$ 2,416.61	\$ 137.11	\$ 4,267.64
Permit Apps.	Hours	24		4				80					118	\$ 3,017.00	\$ 4,253.97	\$ 241.36	\$ 7,512.33
Section 7 Mitigation	Hours	8		4				40					52	\$ 1,262.20	\$ 1,779.70	\$ 100.98	\$ 3,142.88
Task 401 Subtotal		60		10				128					208	\$ 5,993.11	\$ 8,450.29	\$ 479.45	\$ 14,922.85
Total		100		24				256					396	\$ 10,986.97	\$ 15,491.63	\$ 878.96	\$ 27,357.56
Other Direct Costs (printing)																	\$ 400.00
Grand Total																	\$ 27,757.56

## Date: 11/30/2015

Page1 of 2


Approved with Supplement # (type Original if it is the Original): 12  
 CONTRACTOR Name: PAR ENV. SVS., INC Date: 11/30/2015  
 Project Name: RAMONA AVENUE EXTENSION  
 Project #: T15018400

Fringe Benefit %	+	*Overhead %	=	Combined %
41.00%		100.00%		141.00%

Profit %: 8.00%  
 [Actual Base Hourly Rate Paid to Employee + (Actual Base Hourly Rate Paid to Employee x Combined %)] = A  
 A x Profit % = B A + B = Actual Fully Loaded Hourly Rate

Key Staff	Prevailing Wage	Classification	Name	Actual Base Hourly Rate Paid to Employee For Reference Only (Does not include any Fringe or OH)	Actual Fully Loaded Hourly Rate For Reference Only (Includes Fringe, OH & Profit)	Approved Flat Hourly Billing Rate
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By signing here, you agree to the terms above, and attest that all information is accurate and true.

  
 CONTRACTOR SUBCONTRACTOR Project Manager's Signature





December 3, 2015

Project No.: 009-00-14-16  
SENT VIA: USPS

Mr. Aaron Silva  
Mark Thomas & Company  
7300 Folsom Blvd., Suite 203  
Sacramento CA 95626

SUBJECT: Folsom Avenue Improvements & Ramona Avenue Extension Improvement, Waterline Extension Project, Amendment 2

Dear Aaron:

West Yost is excited to work on the Waterline Extension Project (Project) with you. During the kickoff meeting with the City of Sacramento Department of Utilities Wednesday October 28, 2015, it came to our attention that there are a few items of work that are not currently included in our scope of work including a trenchless crossing, cathodic protection, and coordination with permitting.

Union Pacific Railroad will not allow track removal for construction so a trenchless crossing, most likely installed by auger bore and jack, will be required to cross the railroad right-of-way. The trenchless crossing will require review of the geotechnical data, an additional design drawing and specifications. The connection to the existing 60-inch waterline, the trenchless casing, and the foreign (gas) pipeline will require cathodic protection. Cathodic protection design will require an additional design drawing and specifications. Although Mark Thomas & Company is handling permitting with Caltrans; however, it is likely that West Yost will be required to coordinate work as it pertains to the pressurized pipeline design.

We are requesting a budget augmentation of \$11,778.25 to cover coordination, design drawings, details and specifications for these components, as detailed in the attached table.

Sincerely,

WEST YOST ASSOCIATES

A handwritten signature in black ink, appearing to read "Nancy McWilliams", is written over the printed name and title.

Nancy McWilliams  
Engineering Manager

NAM:lh

attachment



March 3, 2016

Project No.: 009-00-14-16  
SENT VIA: USPS

Mr. Aaron Silva  
Mark Thomas & Company  
7300 Folsom Blvd., Suite 203  
Sacramento CA 95626

**SUBJECT:** Folsom Avenue Improvements & Ramona Avenue Extension Improvement Project (Project), Waterline Extension

Dear Aaron:

We would like to request an update to our 10-H form. Staff additions and deletions reflect changes since Supplement 9 with 10-H form dated February 1, 2014. Details of the proposed changes are included in the attached 10-H form, and outlined below.

Table 1. Staff Deletions	
Name	
Steve Dalrymple	
Jeffrey Wanlass	
Jeffery Tolentino	
Tracy Baker	

Table 2. Staff Additions		
Name	Classification	Rate, dollars
Frank Helmick	Vice President	72.73
John Goodwin	Vice President	72.73
Nancy McWilliams	Engineering Manager	62.50
Adam Brown	Associate Engineer	41.00
Colleen Karbowski	Engineer II	29.00
David Pezzini	Engineer II	29.00
Tyler Newman	Engineer I	28.00
Maxine Colorado	Administrative IV	29.94
Alexandra Garcia	Administrative II	21.00

Mr. Aaron Silva

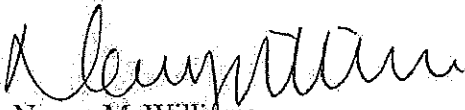
March 3, 2016

Page 2

Please feel free to contact me if you have any questions.

Sincerely,

WEST YOST ASSOCIATES

A handwritten signature in black ink, appearing to read 'Nancy McWilliams', written over the printed name.

Nancy McWilliams  
Engineering Manager

NAM:lh

attachment

**COST PROPOSAL (SUPPLEMENTAL)**

Folsom Boulevard and Ramona Way

West Yost Associates													
Frank Nancy Maxine													
Staff Name and or Classification	Helmick Vice President	McWilliams Engineering Manager II	Adam Brown Associate Engineer I	Steven Barber Senior CAD Designer	Colorado Administrative IV	Hours	Subtotal	Labor Cost	OH + Fringe 220%	Profit 10%	Total Cost		
Approved Flat Hourly Billing Rate	\$ 72.73	\$ 62.50	\$ 41.00	\$ 29.00	\$ 29.94								
Hours	9	20	18	16	8	54	\$ 3,346.09	\$ 7,361.40	\$ 1,070.76	\$ 11,778.25			
Task 300 Subtotal	9	20	18	16	8	54	\$ 3,346.09	\$ 7,361.40	\$ 1,070.76	\$ 11,778.25			
Task 300 Additional Design & Coordination (Water Line T15018402)													
Other Direct Costs Item 1													
Item 2													
ODC Subtotal	0	0	0	0	0	0							
Grand Total											\$ 11,778.25		

**CITY OF SACRAMENTO 10-H FORM**  
 Approved with Supplement # (type Original if it is the Original): 12  
**CONTRACTOR Name:** West Yost Associates **Date:** 12/3/2015  
**Project Name:** Folsom Blvd. and Ramona Way  
**Project #:** T15018400(MTCO: 58-0145B)

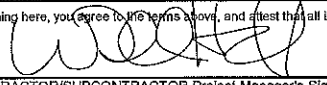
Fringe Benefit % 215.00%	+ *Overhead % 5.00%	= Combined % 220.00%
Profit %: 10.00%		
[Actual Base Hourly Rate Paid to Employee + (Actual Base Hourly Rate Paid to Employee x Combined %)] = A A x Profit % = B      A + B = Actual Fully Loaded Hourly Rate		

Key Staff	Prevailing Wage	Classification	Name	Actual Base Hourly Rate Paid to Employee For Reference Only (Does not include any Fringe or OH)	Actual Fully Loaded Hourly Rate For Reference Only (Includes Fringe, OH & Profit)	Approved Flat Hourly Billing Rate
		Vice President	Helmick, Frank	\$72.73	\$256.01	\$256.01
		Vice President	Goodwin, John	\$72.73	\$256.01	\$256.01
X		Engineering Manager	McWilliams, Nancy	\$62.50	\$220.00	\$220.00
		Principal Engineer	Moore, Douglas	\$51.50	\$181.28	\$181.28
		Principal Engineer	Mark Kubic	\$51.50	\$181.28	\$181.28
		Associate Engineer	Brown, Adam	\$41.00	\$144.32	\$144.32
		Engineer II	Karbowski, Colleen	\$29.00	\$102.08	\$102.08
		Engineer II	Pezzin, David	\$29.00	\$102.08	\$102.08
		Engineer I	Newman, Tyler	\$28.00	\$98.56	\$98.56
		Senior Cad Designer	Barber, Steven	\$29.00	\$102.08	\$102.08
		Administrative IV	Colorado, Maxine	\$29.94	\$105.39	\$105.39
		Administrative III	Pacheco, Nicole	\$22.50	\$79.20	\$79.20
		Administrative II	Garcia, Alexandra	\$21.00	\$73.92	\$73.92

Other Direct Costs (ODC) Items and Rates	Estimated ODC Budgets Shall Be Included in Cost Proposal	Description	Rate
		Printing/Reproduction Costs	\$3,000
		Mileage at Current IRS Rate	\$175
		Mail & Delivery Services	\$70

- List all Professional and Supervisory staff by Classification and Name. For staff not listed by name but by classification only, a current payroll document identifying their actual base hourly rate shall be provided with every invoice where an unlisted staff bills time. The approved flat hourly billing rates for all employees will be calculated and reimbursed based on their actual base hourly rates per the date noted above unless CITY Project Manager assigns a fair and reasonable flat hourly billing rate for selected employees. For staff not listed by name but by classification only, the reimbursement will not exceed the approved flat hourly billing rate for that classification. Approved flat hourly billing rates for new employees hired after the date of this cost proposal will not exceed (or shall be in line with) the rates of similar personnel with similar experience listed on this cost proposal. The approved flat hourly billing rate shall be all-inclusive, including all mark-ups, fringe, and overhead expenses and profit.
- Key Staff shall be determined by CITY Project Manager. (i.e., named Project Manager, a specific Principal Engineer, a specific Structural Engineer, etc. Note Key staff with an "X" in the Key Staff column.
- The employees' actual base hourly rates used to negotiate the flat hourly billing rates in this 10-H Form are the rates that were effective per the date noted above. Addition of new staff, new classifications, or addition of a SUBCONTRACTOR not previously listed on the approved 10-H Form(s) shall require written approval from the CITY. No work shall commence until the approval is provided by the CITY. New staff shall be paid at the same or lower approved flat hourly billing rate of the previously approved or similar classification. In addition, if the substitution involves Key Staff, CONTRACTOR must request and justify the need for the substitution and obtain approval from CITY Project Manager. Substituted Key Staff shall be as qualified as the original.
- Approved flat hourly billing rates include all standard equipment including laptop, camera, cell phone, truck, standard personal safety equipment. CITY Project Manager shall approve any other direct costs.
- Note employees/classifications that are subject to prevailing wage requirements with an "X" in the Prevailing Wage column. Prevailing Wage specified is based on current Department of Industrial Relations (DIR) determination. CONTRACTOR shall be responsible for any future adjustments to the prevailing wage, including but not limited to, base hourly rates and employer payments as determined by the DIR. CONTRACTOR is responsible for paying the appropriate rate, including escalations that take place during the term of the Agreement. CONTRACTOR shall be reimbursed at the above listed approved flat hourly billing rates.
- Overtime may be reimbursed to classifications where it is required by their union contracts (Prevailing Wage classifications). Overtime will not be charged unless prior written approval is received by CITY Project Manager. CITY shall pay CONTRACTOR at the approved overtime rates noted above. CONTRACTOR shall pay prevailing wage employees per prevailing wage guidelines.
- Local transportation costs resulting from commuting to and from the employee's residence to the office or job site are not reimbursable.
- The Project will not reimburse CONTRACTOR for costs to relocate its staff to the geographic area of the contract. The Project will not reimburse CONTRACTOR for any per diem.
- ODC items are to be in compliance with Code of Federal Regulations, Title 48 Part 31 [Federal Acquisition Regulations (FAR) cost principles] and the firm's company-wide allocation policies and charging practices with all clients including federal government, state government, local agencies, and private clients.

By signing here, you agree to the terms above, and attest that all information is accurate and true.

  
 CONTRACTOR/SUBCONTRACTOR Project Manager's Signature  
 Frank Helmick, Project Manager

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Previously approved 10-H  
forms enclosed for  
reference

Supp #1

Form 10H  
CONSULTANT COST PROPOSAL

COST PROPOSAL

CONTRACT No. City of Sacramento Ramona Extension  
CONSULTANT Katz & Associates

Date # 01/25/08

DIRECT LABOR

Classification	Name	Range	Hours	Initial Hourly Rate	Total
	Lori Proslo	vice president	12.0 @	\$ 52.40	\$ 628.80
	Megan White	account exec	36.0 @	\$ 24.04	\$ 865.44
	Alma Paredes	acct. coord	25.0 @	\$ 16.82	\$ 420.50
	Jessica Love	acct coord.	25.0 @	\$ 16.82	\$ 420.50
	Bryson Shelito	acct. support	10.0 @	\$ 14.66	\$ 146.60
			0.0 @	\$ 0.00	\$ -
			0.0 @	\$ 0.00	\$ -
			0.0 @	\$ 0.00	\$ -
			0.0 @	\$ 0.00	\$ -
			0.0 @	\$ 0.00	\$ -
			0.0 @	\$ 0.00	\$ -
			0.0 @	\$ 0.00	\$ -

Subtotal Direct Labor Costs \$ 2,481.84  
Anticipated Salary Increases (5% for one year) \$ 124.09

Total Direct Labor Costs \$ 2,605.93

FRINGE BENEFITS

Fringe Benefits Rate Total \$ -

Total Fringe Benefits \$ -

INDIRECT COSTS

Overhead/General and Administrative 181.00% \$ 4,195.55  
Total Indirect Costs \$ 4,195.55

FEE @ 15% \$ 1,020.22

OTHER COSTS

Mileage \$ 100.00  
Public Meeting Costs \$ 1,200.00  
Total Other Costs \$ 1,300.00

TOTAL COSTS \$ 9,121.70 ✓

## CITY OF SACRAMENTO 10-H FORM

Approved with Supplement # (Type Original if it is the Original): 6

CONTRACTOR Name: Parikh Consultants, Inc.

Date: 4/26/2014

Project Name: Tie Back Wall Folsom Blvd. Widening &amp; Romania Exit

Project #: T15010400, Mico 558-014613

		Fringe/Benefit %	+ Overhead %	Combined %		
		45.00%	100.00%	145.00%		
		Profit %	10.00%			
[Actual Base Hourly Rate Paid to Employee * (Actual Base Hourly Rate Paid to Employee x Combined %)] = A						
A x Profit % = B						
A + B = Actual Fully Loaded Hourly Rate						
Key Staff	Prevailing Wage	Classification	Name	Actual Base Hourly Rate Paid to Employee For Reference Only (Does not include any Fringe or O&P)	Actual Fully Loaded Hourly Rate For Reference Only (Includes Fringe, O&P & Profit)	Approved Flat Hourly Billing Rate
X		Project Manager	Gary Parikh	\$85.68	\$231.72	\$231.72
X		Principal	Gary Parikh	\$85.68	\$231.72	\$231.72
X		Sr. Project Engineer	David Wang	\$82.01	\$187.12	\$187.12
		Sr. Project Engineer	Frank Wang	\$48.43	\$130.52	\$130.52
		Field Engineer	El Bhengoo	\$40.44	\$108.88	\$108.88
		Laboratory Technician	Nash Ahmad	\$28.64	\$77.72	\$77.72
		Project Engineer	Luan Tran	\$38.44	\$98.21	\$98.21
		Project Engineer	Kundeevan Senevanapavan	\$40.77	\$109.88	\$109.88
		Sr. Project Engineer	Peter Wei	\$42.28	\$113.87	\$113.87
					\$0.00	\$0.00
					\$0.00	\$0.00
					\$0.00	\$0.00

Total Other Direct Costs (ODC)	Estimated Total ODC Amount Shall Be Contracted To/By (Cumulative)	Description	Rate	Units	Total
		Mileage	At Cost		\$142.00
		Reproduction Cost	At Cost		\$500.00
		Drilling, permits, grouting	At Cost		\$13,115.00
		Trailer Control	At Cost		\$2,800.00
		EDR Environmental Report	At Cost		\$850.00
		Mail & Delivery Services	At Cost		\$100.00
			At Cost		
			At Cost		
			At Cost		
			At Cost		
			At Cost		
			At Cost		
			At Cost		
			At Cost		
			At Cost		
		Estimated Total ODC Amount:			

- List all Professional and Supervisory staff by Classification and Name. For staff not listed by name, a current payroll document identifying their actual base hourly rate shall be provided with every invoice that they are billing time to. The approved flat hourly billing rates for all employees will be calculated and reimbursed based on their actual base hourly rates per the date noted above. Unless CITY Project Manager assigns a fair and reasonable flat hourly billing rate for selected employees, approved flat hourly billing rates for new employees hired after the date of this cost proposal will not exceed (or shall be in line with) the rates of similar personnel with similar experience listed on this cost proposal. The approved flat hourly billing rate shall be all-inclusive, including all mark-ups, fringe, and overhead expenses and profit.
- Key Staff shall be determined by CITY Project Manager. (i.e. Project Manager, a specific Principal Engineer, a specific Structural Engineer, etc. Note Key staff with an "X" in the Key Staff column).
- The employees' actual base hourly rates listed to negotiate the flat hourly billing rates in this 10-H Form are the rates that were effective per the date noted above. Addition of new staff or addition of a SUBCONTRACTOR not previously listed on the approved 10-H Form(s) shall require an executed Supplemental Agreement. No work shall commence until the Supplemental Agreement is executed and written notification has been provided by CITY Project Manager. New staff shall be paid at the same or lower approved flat hourly billing rate of the previously approved or similar classification. In addition, if the substitution involves Key Staff, CONTRACTOR must request and justify the need for the substitution and obtain approval from CITY Project Manager. Substituted Key Staff shall be as qualified as the original. The executed Supplemental Agreement shall include updated 10-H Forms for CONTRACTOR and SUBCONTRACTOR(S).
- Approved flat hourly billing rates include all standard equipment including laptop, camera, cell phone, truck, standard personal safety equipment. CITY Project Manager shall approve any other direct costs.
- Note employees/classifications that are subject to prevailing wage requirements with an "X" in the Prevailing Wage column. Prevailing Wage specified is based on current Department of Industrial Relations (DIR) determination. CONTRACTOR shall be responsible for any future adjustments to the prevailing wage, including but not limited to, base hourly rates and employer payments as determined by the DIR. CONTRACTOR is responsible for paying the appropriate rate, including exceptions that take place during the term of this Agreement. CONTRACTOR shall be reimbursed at the above listed approved flat hourly billing rates.
- Overtime may be reimbursed to classifications where it is required by their union contracts (Prevailing Wage classifications). Overtime will not be charged unless prior written approval is received by CITY Project Manager. CITY shall pay CONTRACTOR at the approved overtime rates noted above. CONTRACTOR shall pay prevailing wage employees per prevailing wage guidelines. For more information on applicable prevailing wages, please visit the following website: <https://www.dir.ca.gov/OPPL/PWD/>
- Parking, tolls and local transportation costs resulting from commuting to and from the employee's residence to the job site are not reimbursable.
- The Project will not reimburse CONTRACTOR for costs to relocate its staff to the geographic area of the contract. The Project will not reimburse CONTRACTOR for any per diem.
- ODC items are to be in compliance with Code of Federal Regulations, Title 38 Part 31 (Federal Acquisition Regulations (FAR) cost principles) and the firm's company-wide allocation policies and charging practices with all clients including federal government, state government, local agencies and private clients.



Approved with Supplement # (type Original if it is the Original): 8  
 CONTRACTOR Name: Parkh Consultants, Inc. Date: 4/26/2014  
 Project Name: The Bank Wall Folsom Blvd. Widening & Romana Ext.  
 Project #: T15018460, Mico #58-014513

Fringe Benefit %		Overhead %		Combined %		
48.00%		100.00%		148.00%		
Profit %:		10.00%				
$(\text{Actual Base Hourly Rate Paid to Employee} \times (\text{Actual Base Hourly Rate Paid to Employee} \times \text{Combined \%})) = A$						
$A \times \text{Profit \%} = B$						
$A + B = \text{Actual Fully Loaded Hourly Rate}$						
Key Staff	Prevailing Wage	Classification	Name	Actual Base Hourly Rate Paid to Employee For Reference Only (Does not include any Fringe or OH)	Actual Fully Loaded Hourly Rate For Reference Only (includes Fringe, OH & Profit)	Approved Flat Hourly Billing Rate

By Signing Here, you agree to the terms above, and state that all information is accurate and true:

CONTRACTOR/SUBCONTRACTOR Project Manager's Signature  
 (Type/print name here)

*Kathy Robi Rammner*

111

Form 10H  
CONSULTANT COST PROPOSAL

COST PROPOSAL

CONTRACT No. RAMONA AVE EXTENSTON  
CONSULTANT RAIL TECHNOLOGY, INC.

Date # \_\_\_\_\_

DIRECT LABOR

Classification	Name	Range	Hours	Initial Hourly Rate	Total
Principal	Don Dali		85.0 @ \$	69.87	\$ 8,837.65
Administrative	Michelle Horan		30.0 @ \$	25.00	\$ 750.00
			0.0 @ \$	0.00	\$ -
			0.0 @ \$	0.00	\$ -
			0.0 @ \$	0.00	\$ -
			0.0 @ \$	0.00	\$ -
			0.0 @ \$	0.00	\$ -
			0.0 @ \$	0.00	\$ -
			0.0 @ \$	0.00	\$ -
			0.0 @ \$	0.00	\$ -
			0.0 @ \$	0.00	\$ -

Subtotal Direct Labor Costs \$ 7,387.65  
Anticipated Salary Increases (5% for one year) \$ 369.38

Total Direct Labor Costs \$ 7,757.03

FRINGE BENEFITS

Fringe Benefits Rate Total \$ -  
Total Fringe Benefits \$ -

INDIRECT COSTS

Overhead/General and Administrative 151.00% \$ 11,713.12  
Total Indirect Costs \$ 11,713.12

FEE @ 10%

\$ 1,947.02

OTHER COSTS

Mileage \$ -  
Reproductions Costs (out of office blue lines, xerox, binding) \$ -  
Photographic Film & Processing \$ -  
Mail & Delivery Services (California Overnight and Postage) \$ -  
Total Other Costs \$ -

TOTAL COSTS

\$ 21,417.17 ✓

**Meeting Date:** 4/14/2016

**Report Type:** Consent

**Report ID:** 2016-00354

**Title: Cooperative Purchase Agreement: Enterprise Vehicle Rentals**

**Location:** Citywide

**Recommendation:** Pass a Motion 1) approving the use of the State of California cooperative purchase agreement with EAN Services, LLC, doing business as Enterprise Rent-A-Car, (Contract No. 5159905) for vehicle rentals in an amount not to exceed \$600,000 through February 28, 2021 or until the agreement is no longer available for use; and 2) authorizing the City Manager or the City Manager's designee to execute the purchases specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year.

**Contact:** Iseña Garcia, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

**Presenter:** None

**Department:** Public Works Department

**Division:** Fleet Management

**Dept ID:** 15003211

**Attachments:**

1-Description/Analysis

2-Cooperative Agreement

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**City Attorney Review**

Approved as to Form

Gary Lindsey

4/5/2016 11:39:32 AM

**Approvals/Acknowledgements**

Department Director or Designee: Jerry Way - 3/22/2016 2:21:08 PM

## **Description/Analysis**

**Issue Detail:** The Department of Public Works (DPW), Fleet Management Division, has an ongoing requirement for vehicle rentals to support City departments. The recommended agreement will be used when City departments request vehicles that are not available in the Motor Pool or when departments have seasonal work that requires the use of additional vehicles for a period of time.

**Policy Considerations:** The recommendations in this report are in accordance with City Code Chapter 3.56 regarding the purchase of supplies.

**Economic Impacts:** Not applicable

## **Environmental Considerations:**

**California Environmental Quality Act (CEQA):** No environmental review is necessary because the recommendations in this report involve the rental of vehicles and are not considered to be a project in accordance with Section 15378(b)(2) of the CEQA Guidelines.

**Sustainability:** Not applicable

**Commission/Committee Action:** None

**Rationale for Recommendation:** After reviewing the available purchase options, Fleet Management has determined that using the State of California cooperative purchase agreement with EAN Services, Inc. represents the most advantageous purchasing strategy. The agreement offers a wide variety of vehicles to meet the City's needs, and the agreement was competitively bid statewide and the State of California receives greater discounts from the vendor, due to a higher purchase volume, than the City would receive if issuing its own bid.

In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement method increases pricing competitiveness and lowers capital costs through volume buying. When comparing the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract. It is often more cost-effective to eliminate the cost and time spent on these administrative processes and purchase items and services through a cooperative purchasing program.

The City has used both regional and national cooperative purchase agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

**Financial Considerations:** In determining the recommended spending authority, Fleet Management staff reviewed the expenditure history for vehicle rental and also considered future needs. Annual estimates for expenditures with EAN Services, Inc. are listed in the table

below. Sufficient funds are available in the DPW FY2015/16 operating budget (Fleet Fund, Fund 6501) for vehicle rentals through June 30, 2016. Purchases after July 1, 2016 and through the duration of the contract are subject to funding availability in the adopted budget of the applicable fiscal year.

Enterprise Vehicle Rentals					
Year 1	Year 2	Year 3	Year 4	Year 5	Total
\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$600,000

**Local Business Enterprise (LBE):** EAN Services, Inc. is not an LBE. The minimum LBE participation requirement is waived for the City's use of cooperative purchase agreements that have been competitively bid, evaluated, and awarded by other governmental agencies that may or may not have similar LBE programs.

STATE OF CALIFORNIA  
**STANDARD AGREEMENT**  
STD 213 (Rev 06/03)

AGREEMENT NUMBER <b>5159905</b>
REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

**Department of General Services**

CONTRACTOR'S NAME

**EAN Services, LLC**

2. The term of this Agreement is: **Upon DGS approval** through **February 28, 2018** with three one-year options to extend

3. The maximum amount of this Agreement is: **\$0.00**

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

<b>Exhibit A</b> - Scope of Work	12 Pages
<b>Exhibit B</b> - Budget Detail and Payment Provisions	2 Pages
<b>Exhibit C*</b> - General Terms and Conditions (GTC 610) effective 6/9/2010	
<b>Exhibit D</b> - Special Terms and Conditions	2 Pages
<b>Exhibit E</b> - Insurance Terms and Conditions	4 Pages
<b>Exhibit F</b> - Short Term Rental Cost Table	1 Page
<b>Exhibit G</b> - Long Term Rental Cost Table	1 Page
<b>Attachment 1</b> - Short and Long Term Technical Proposals	26 Pages
<b>Attachment 2**</b> - Participating Locations	
<b>Attachment 3</b> - Contractor Certification Clauses (CCC-307)	4 Pages

Items shown with an Asterisk, are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at:  
(\*)<http://www.dgs.ca.gov/ois/Resources/StandardContractLanguage.aspx> or (\*\*) <http://www.dgs.ca.gov/travel/Programs/RentingaVehicle.aspx>

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

**CONTRACTOR**

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

**EAN Services, LLC**

BY (Authorized Signature)

DATE SIGNED (Do not type)



1/19/16

PRINTED NAME AND TITLE OF PERSON SIGNING

JAY Goulet ASST SEC.

ADDRESS

600 Corporate Park Dr, St. Louis, MO, 63105

**STATE OF CALIFORNIA**

AGENCY NAME

**Department of General Services**

BY (Authorized Signature)

DATE SIGNED (Do not type)



1/22/16

PRINTED NAME AND TITLE OF PERSON SIGNING

Diane Leung, Maui Supervisor

ADDRESS

707 3<sup>rd</sup> Street, West Sacramento, CA 95605-2811

California Department of General  
Services Use Only



☐ Exempt per:

**EXHIBIT A****1. SCOPE OF WORK**

- A. The Department of General Services (DGS), Office of Fleet and Asset Management (OFAM), Statewide Travel Program (STP) hereinafter referred to as "State" or "DGS/STP" is contracting for services for rental vehicles used by all State employees and Optional Users traveling on official State business.
- B. The State and EAN Services, LLC (hereinafter referred to as the "Contractor"), hereby agree that the Contractor will provide the State and Optional Users with statewide and national commercial car rental services in accordance with the terms and conditions of this Agreement.
- C. The Contractor shall provide direct billing accounts set up and online reservation verification activities in accordance with its Technical Proposals, **Attachment 1**, attached hereto and incorporated by reference. Activities described in the Technical Proposal shall be provided by the Contractor at no-cost to the State.
- D. The Contractor agrees that the terms and conditions set forth herein supersede any policies and provisions of any Contractor rental document. Representations by, and obligations of, the Contractor, hereunder are also representations by, and obligations of, Contractor's participation franchisees and subcontractors.

**2. AGREEMENT**

- A. The Contractor agrees to provide State employees and Optional Users short term and long term statewide and national commercial car rental (CCR) services for official State business.
- B. The Contractor must maintain a participating location at the seventeen (17) California airport and high volume off airport locations shown below. Contractor shall provide express service at the fourteen (14) airports listed.

- 1) Sacramento (SMF)
- 2) Ontario (ONT)
- 3) Burbank (BUR)
- 4) San Diego (SAN)
- 5) Los Angeles (LAX)
- 6) Orange County (SNA)
- 7) Oakland (OAK)
- 8) Fresno (FAT)
- 9) San Francisco (SFO)
- 10) San Jose (SJC)
- 11) San Luis Obispo (SBP)
- 12) Long Beach (LGB)
- 13) Santa Rosa (STS)
- 14) Monterey (MRY)
- 15) Downtown Sacramento
- 16) Elk Grove
- 17) Redding

**EXHIBIT A**

- C. All Participating Locations, hours of operation and express service availability are identified in **Attachment 2** hereby incorporated by reference and made part of this agreement as if attached hereto. Full compliance with the terms of this Agreement is required of the Contractor and all its Participating Locations listed in **Attachment 2**. Contractor shall provide the Statewide Travel Program, Contract Administrator an updated listing of Participating Locations as part of the Quarterly Review process.
- D. The rates specified in **Exhibit F** and **Exhibit G** are in effect for the current contract term; however, Contractor may request a price increase for contract extensions in accordance with the following procedure:
  - 1) The State may authorize rate increases should the State decide to execute the option to extend the contract. The rate price increase shall in no case exceed the Consumer Price Index (CPI) for the previous calendar year. A written request for the rate increase must be submitted to the DGS/STP Contract Administrator at least ninety (90) days prior to the effective date. The CPI is calculated according to the Consumer Annual Average for California which Contractor will find at the State of California, Department of Finance, Economic Research Section, Sacramento, California, telephone number (916) 322-2263.

**3. TERM**

- A. The term of this contract is upon execution of the contract through February 28, 2018. This Agreement cannot be considered binding on either party until contract execution. This contract is considered executed upon approval by DGS, Office of Legal Services.
- B. Direct billing accounts set up and online reservation verification activities will commence as stated in the Schedule contained in the Contractor's Technical Proposal, **Attachment 1**. Such activities shall be completed prior to Period of Performance stated in Paragraph C. below.
- C. The Period of Performance for providing statewide commercial car rental services shall be March 1, 2016 through February 28, 2018. The State reserves the right to extend the contract term for three (3) one-year terms at the Base Rates including CPI adjustment if applicable. The State shall endeavor to give notice of its intention to extend the contract term at least one hundred and twenty (120) days before expiration of the current term.

**4. RESERVATIONS**

- A. Contractor shall fulfill all rental vehicle requests from State employees and Optional users made through the authorized short term, long term or emergency reservation process.
- B. Short Term Vehicles
  - 1) Contractor shall load CALIFORNIA STATE CONTRACT RATES and contract terms for all participating locations listed in **Attachment 2** into the Global Distribution System (GDS). The State of California will verify that the online booking tool contains appropriate BASE RATES at a random number of participating locations



**EXHIBIT A**

prior to the Period of Performance for providing statewide commercial car rental services.

- 2) Except during an emergency, reservations can only be made through the online booking tool or through the State's authorized travel agency.
- 3) Contractor will not charge the State more than the contract rates set forth in **Exhibit F**.
- 4) Rates shown in **Exhibit F** must be available at all California and national locations shown in **Attachment 2**.

**C. Long Term Vehicles**

- 1) State employees and Optional Users shall make all long term reservations directly with the Contractor. Contractor shall provide a contact for State and Optional Users to book all long term reservations. However, in the future at the State's option, the Contractor may be required to load long term rates into the GDS. The State shall formally notify the Contractor in writing should long term rates and contract terms require entry into the GDS and be made available at all participating locations listed in **Attachment 2**.
- 2) State long term vehicle rentals require advance approval from OFAM. Prior to fulfilling a long-term reservation, Contractor must receive an approval form that has been signed by the OFAM Chief, and/or Assistant Chief or delegate prior to fulfilling long term vehicle reservations. This process will not apply to Optional Users.
- 3) Contractor will not charge the State more than the contract rates set forth in **Exhibit G**.
- 4) Rates shown in **Exhibit G** must be available at all California and national locations shown in **Attachment 2**.
- 5) Contractor shall create direct billing accounts as needed to fulfill a reservation.

**D. Emergency Vehicles**

- 1) State employees shall make all emergency reservations directly with the Contractor and as further described in Contractor's **Technical Proposal, Attachment 1- Section IV. Emergencies**.
- 2) Contractor must fulfill requests for emergency vehicles within eight (8) hours.
- 3) When multiple entities are responding to an emergency Contractor shall grant recognized public agencies as ordered in the State of California Governor declared "Proclamation of a State of Emergency" priority consideration when fulfilling emergency vehicle reservations.

**EXHIBIT A****5. CONTRACT ADMINISTRATION**

All inquiries during the term of this Agreement will be directed to the representatives listed below:

DGS/STP Contract Administrator  
Georgia Kattenhorn  
707 3<sup>rd</sup> Street, MS 600  
West Sacramento, CA 95605  
PH: (916) 376-3990  
FAX: (916) 376-3999  
Email: Georgia.Kattenhorn@dgs.ca.gov

EAN Services, LLC  
Lisa Holmes  
150 N Sunrise  
Roseville, CA 95661  
PH: (916) 787-4500  
Email: lisa.m.holmes@ehi.com

**6. PERFORMANCE**

- A. Should the Contractor fail to commence work at the agreed upon time, the DGS, upon five (5) days written notice to the Contractor, reserves the right to terminate the Agreement. In addition, the Contractor shall be liable to the State for the difference between its contracted bid price and the actual cost of performing the work by another contractor.
- B. Contractor will identify the name, business address and portion of work to be completed by each subcontractor who performs work under this contract.
- C. Contractor shall not turn away State employees utilizing this contract excluding those employees affected by the Contractor's Do Not Rent Policy or who have not complied with the State's mandatory booking process.
- D. The Contractor's Do Not Rent Policy – In extreme cases, the Contractor has the right to refuse services to any State employee conducting themselves in a hostile, unprofessional, confrontational or harassing manner. The Contractor will have their rental agent or branch manager record a summary of the occurrence and the State will review and discuss the occurrence with the State employees supervisor and the Contractor.
- E. Full compliance with the terms of this Agreement is required of the Contractor and all its participating locations listed in **Attachment 2**. Any material deviation from standard rental car practices, or from the terms of this Agreement, may constitute cause for an individual participating location to be placed in an immediate nonuse status until such time as the State determines that proper remedial measures have been taken.

**7. DEFINITIONS**

- A. The following definitions will be used for this Agreement:

- 1) STATE EMPLOYEE - a State employee is an officer or employee of the Executive Branch of California State Government.

**EXHIBIT A**

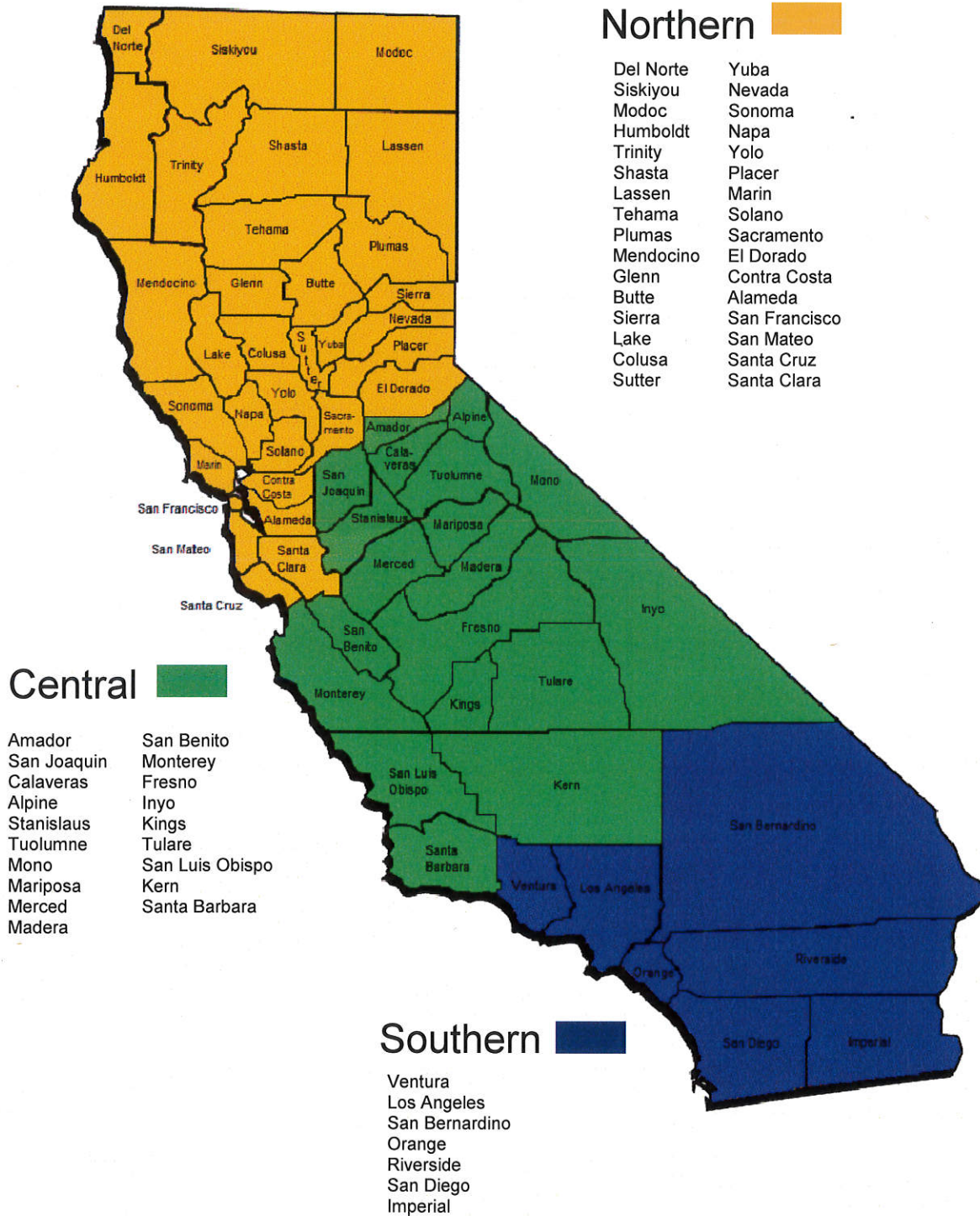
- 2) **OPTIONAL USERS** - In addition to the officers and employees of the Executive Branch, the following may, but are not required to, obtain services under these contracts providing they are on authorized State business and/or authorized pursuant to local laws.
- a) **Non-Salaried:** Persons who are on official State business and whose travel expenses are paid by the State (this includes volunteers, members of official task forces, consultants and members of some commissions and boards).
  - b) **Elected Constitutional Officers:** Governor, Lieutenant Governor, State Controller, Attorney General, Secretary of State, Superintendent of Public Instruction, State Treasurer, Insurance Commissioner, members of the Board of Equalization, and members of the staff of the above constitutional officers.
  - c) **State Legislative Branch:** Members of the State Senate, Members of the State Assembly, and Legislative staff members.
  - d) **State Judicial Branch:** Justices, officers, and employees of the Supreme Court of California, the Courts of Appeal, the Judicial Council of California and the State BAR of California.
  - e) **Executive Protection:** Persons providing executive protection to anyone authorized to use these contracted rates.
  - f) **Local Agencies:** Elected officials and other personnel of local agencies within California, to the extent that the travel is undertaken in accordance with the laws governing those agencies; persons employed by or affiliated with the California League of Cities (CLC), the California State Association of Counties (CSAC), the California State Districts Association (CSDA) or affiliated organizations. Whenever the term "State business" is used in this agreement, it shall be read to include travel undertaken to perform the official business of local agencies, CLC, CSAC, CSDA or the affiliated organizations referred to herein.
  - g) **Kindergarten through Grade Twelve (K-12) Public School Districts:** Persons on official business for K-12 educational institutions that are supported with public funds and are authorized by action of and operated under the oversight of a publicly constituted Local or State educational agency.
  - h) **Employees of the California State University System (CSU), University of California System (UC), and California Community Colleges.**
- B. **BASE RATE** - The charge for vehicle rental not including transactional taxes, fees and surcharges.
- C. **CITY AND SUBURBAN LOCATIONS** – Any location that does not meet the definition of on-airport or off-airport location shall be referred to as a city or suburban location. These locations participating in the State of California program will comply with the provisions of this Agreement.

## EXHIBIT A

- D. DAILY BASE RATE - The Base Rate charge per day (24 hours) for vehicle rental.
- E. EMERGENCY - An urgent circumstance officially identified by the Governor of the State of California as a "Proclamation of a State of Emergency" and requiring an immediate response by recognized public agencies as ordered in the Proclamation.
- F. EXPRESS SERVICE - Completed rental agreement and key may be in vehicle or delivered to renter by an attendant. Driver's license checks can be done at the gate, at the Express Service counter where available, by a roving employee of the Contractor or in any manner consistent with industry/government laws, rules, and regulations. This will not be applicable for long term rentals.
- G. GLOBAL DISTRIBUTION SYSTEM (GDS) – The automated reservation systems used by the commercial travel industry for booking available vehicles, e.g., Sabre, Galileo/Apollo, Worldspan, Amadeus, etc.
- H. LONG TERM RENTAL – Transaction where rental period is at least thirty (30) days. State long term rentals require the advance approval by OFAM, Chief and/or Assistant Chief or delegate prior to fulfilling reservation.
- I. MAX CAP RATE (MCR) DAILY – The maximum daily rate Contractor can charge per vehicle class type rented at any California airport. It is comprised of the Daily Base Rate plus fees as applicable to a specific airport, up to the maximum rate. Sales tax and refueling charges are not included in the Rate.
- J. MONTHLY BASE RATE - The Base Rate charge per month [thirty (30) continuous days] for vehicle rental.
- K. NORTHERN, CENTRAL AND SOUTHERN LOCATIONS – The map below defines the regions the State identifies as Northern, Central and Southern California locations.

## EXHIBIT A

### Regions Identified as Northern, Central and Southern California Locations (By County)



## EXHIBIT A

- L. OFF-AIRPORT LOCATION – Office located outside the airport terminal property or an area so designated specifically for car rental services for the airport. Shuttle services are provided for these locations. Hours of operation for an off-airport location or office shall be consistent with normal business hours.
- M. ON-AIRPORT LOCATION - Office located within the airport terminal, or an area within the airport property so designated specifically for car rental services. Vehicles may be located in a satellite location. Hours of operation for an on-airport location or office shall be consistent with airport operating hours.
- N. OVERAGE CHARGE – Incremental overtime charge Contractor can apply for vehicles returned outside of the rental period.
- O. PARTICIPATING LOCATIONS – Contractor locations that offer vehicles for rent under the terms and conditions of this Agreement.
- P. SHORT TERM RENTAL - Transaction where rental period is less than thirty (30) days.
- Q. WEEKLY BASE RATE - The Base Rate charge per week [seven (7) continuous days] for vehicle rental.
- R. HYBRID ELECTRIC VEHICLES (HEVs) combine an internal combustion engine with a battery and electric motor.
- S. PLUG-IN HYBRID ELECTRIC VEHICLES (PEVs) combine both an electric motor that is battery powered and can be plugged in and recharged and a gasoline engine that can be refueled.
- T. ZERO EMISSION VEHICLES (ZEVs) emit no emissions from the onboard source of power.

### 8. DESCRIPTION OF SERVICES

#### A. RENTAL OFFICES

Contractor will provide rental offices and/or on-airport counters that are staffed, well-lit, clean, properly maintained and clearly defined as the Contractor's area for business. Contractor must provide personnel who are professional and courteous at all times. Repeated failure to fulfill reservations will result in individual locations being placed on a nonuse status. If the size/class car reserved is not available, the Contractor will substitute an upgraded vehicle at the same price with renter's consent.

#### B. RENTAL AGREEMENT PROCEDURES

- 1) Contractor shall fulfill all rental vehicle requests from State employees and Optional users made through the authorized short term, long term or emergency reservation process. Persons who are 21 or older are authorized to operate vehicles rented under this Agreement and, if properly licensed, include the renter, and without



**EXHIBIT A**

additional charge, the renter's fellow employees traveling on official State business. Such additional drivers need not be listed on the rental agreement.

- 2) The vehicle to be rented will be ready for dispatch with a full tank of gas, to the extent possible. The renter will be furnished a copy of the Contractor's rental agreement and will not be bound by any stipulation therein which is inconsistent with this Agreement.
- 3) The Contractor shall provide market fuel prices for any vehicle returned with less than the level of fuel it had when the renter picked it up. This rate will not exceed the U.S. and Energy Administration weekly average rate as published at <http://www.eia.doe.gov/oog/info/gdu/gasdiesel.asp>. In accordance with the California State Constitution, Article 16, section 6, prepayment is not allowed under any circumstance.
- 4) The Contractor will provide a toll free number for State employees, in the event of an accident and/or a vehicle becomes inoperable and a replacement vehicle is required. The Contractor shall be available to provide instructions for the disposition of the disabled vehicle.
- 5) At the completion of each rental, the Contractor will provide an itemized receipt of services that will contain all charges for the vehicle. The receipt should also contain the renters name and information provided prior to the rental. Should a credit be issued, the Contractor will provide receipt reflecting such correction at the time of vehicle return.

**C. VEHICLE REQUIREMENT**

Rental vehicles will be properly licensed, clean and maintained in a safe operating condition, be no more than two (2) years old, and have no more than 40,000 miles on the odometer. Pickup Trucks and 4WD pickup trucks should be at least ½ ton, full-size, two door regular cab with a 6' bed. Minivans must contain at least seven (7) seatbelts to accommodate a driver and six (6) passengers. The Contractor shall provide vehicles with no advance notice with the exception of American with Disabilities Act vehicles.

**D. AVAILABLE INVENTORY FOR STATE EMERGENCY VEHICLES**

Contractor shall maintain a vehicle inventory capable of meeting the State's vehicle rental needs necessary to respond to emergencies. Contractor may be required to relocate inventory from other participating locations to meet such demands. The State shall not be responsible for costs incurred by the Contractor to relocate vehicles in order to meet State emergency vehicle demands.

**E. CLEAN AND FUEL EFFICIENT VEHICLES**

The Contractor shall provide Hybrid Electric Vehicles (HEVs), Plug-In Hybrid Electric Vehicles (PEVs) and Zero Emission Vehicles (ZEVs) in a compact or intermediate size at the contract rate. A resource for identifying these vehicles can be found on the California Air Resources Board Drive Clean web page <http://www.driveclean.ca.gov/>.

**EXHIBIT A****F. MAINTENANCE AND REPAIR**

All maintenance and repair of the rented vehicles in accordance with manufacturer's instructions on maintenance, will be the responsibility of the Contractor. For long term rentals, the Contractor must provide renters with routine vehicle maintenance schedules and specific instructions for obtaining any required maintenance and repair. Any required maintenance and repair must be performed at or within the general vicinity of the rental location. The time spent while waiting for the replacement or for repairs due to any mechanical failure of the vehicle shall be deducted from the total amount of rental time.

**G. AMERICAN WITH DISABILITIES ACT (ADA)**

Contractor will comply with the ADA of 1990, as required by Titles II and III of the ADA (42 U.S.C. 1201 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

**H. REVENUE SHARE**

1. The Contractor shall submit a Revenue Share check to the DGS/STP Contract Administrator within sixty (60) days of the end of each quarter equal to the percentage of total Base Rates charges as specified in **Exhibit F** and **Exhibit G**.
2. The DGS/STP Contract Administrator will rely on reports received from the Contractor to determine total Base Rate charges less refunds. This report will provide details of the Base Rate totals, refunds applied, and other charges to clearly indicate how the Revenue Share was determined.

**I. REPORTS**

1. **REPORTING REQUIREMENTS:** Reporting required will include short term, long term and monthly reconciliation reports. Contractor will submit data utilizing the sample formats provided or in another format provided by the contractor and approved by the State. Reports must be in Excel format or another format where data can be sorted and manipulated. The data categories identified will be supplied in each report. Additional data categories and reports may be requested by the State in order to capture transaction detail and/or account performance. All reports will capture all transaction detail with a minimum of the following categories:

- Agency Name
- Driver Name
- Check-out location and Check in location and dates (separate columns)
- Total Days Rented
- Miles Driven or odometer in/out
- Car Class (Vehicle Car Type)
- Rate Used (Daily, Hourly, Weekly, Monthly)
- Fuel Charges
- Taxes



## EXHIBIT A

- As applicable State and local Government fees and surcharges, and/or airport fees
  - Total Billed Charges
  - Make, Model, Year, License Plate #, VIN# (separate columns)
  - Invoice #, Billing #, Reservation # (separate columns)
2. REPORTS FOR ALL CONTRACT USE / SHORT TERM – The Contractor will provide one electronic report to the DGS/STP by the 25<sup>th</sup> day after the preceding month that includes all short term transactions under the contract with, at a minimum, the data categories identified above. The report must separate and total State transactions and Optional User transactions.

All Contract Use / Short Term Rental Report																							
Agency Name	Renter Name	Rental City	Date Out	Date In	Total Days	Miles Driven	Car Class	Daily Rate	Hourly Rate	Weekly Rate	Sales Tax	Fuel	Other taxes/fees	Credits	Total Amt Due	Cost Code	Time Out	Time In	Rental Office Address	Rental State	Year	Make	Model

3. REPORTS FOR ALL CONTRACT USE / LONG TERM – The Contractor will provide one electronic report to the DGS/STP by the 25<sup>th</sup> day after the preceding month that includes all long term transactions under the contract with, at a minimum, the data categories identified above. The report must separate and total State transactions and Optional User transactions.

All Contract Use / Long Term Rental Report																					
Agency Name	Renter Name	Date Out	Date In	Total Days	Odometer In/Out	Miles Driven	Car Class	License Plate #	VIN #	Monthly Rate	Weekly Rate	Daily Rate	Sales Tax	Fuel	Other taxes/fees	Total Amt Due	Vehicle Type	Make	Model	Year	Date Approved by OFAM

4. REPORTS FOR MONTHLY RECONCILIATION – The Contractor will email monthly direct billing reports to each State department and Optional User for billing reconciliation. The STP Contract administrator must receive a copy of these reports at time of delivery. These reports use a similar format and contain the same minimum data requirements with additional data fields to capture additional rental time, adjustments and car class requested/received.

## EXHIBIT A

Reconciliation Report																								
Department Name: _____ Account Number: _____ Invoice Date: _____ Vendor Name: _____																								
Invoice Number	Renter Name	Date Out	Date In	Total Days	Time Out	Time In	Total Rental Time	Rental Office Address	Odometer In/Out	Total Miles	Base Rate Daily, Weekly	Additional Time Charges (Hourly)	Sales Tax	Fuel	Other Taxes/Fees	Total Amt Due	Adjustments	Requested Car Class	Car Class Rcd	License Plate #	Make	Model	Year	Color
SAMPLE																								

5. The State will work with the Contractor to establish an acceptable reporting and delivery format.
6. The Contractor will provide additional detailed transaction reports as needed.
7. File Transfer Protocol (FTP) – If the Contractor supports FTP the Contractor shall set up an FTP account for the DGS and provide a download schedule. Data must be delivered by email.
8. QUARTERLY REVIEW:
  - a. The Contractor will meet quarterly with DGS/STP to review services, data reports, and projected revenue in the month succeeding the quarter in review. A quarterly meeting schedule will be established once Agreement is executed.
  - b. The Contractor shall provide the DGS/STP Contract Administrator an updated listing of Participating Locations.
  - c. The DGS/STP may periodically review all charges including but not limited to taxes, State and local Government fees and surcharges, and/or airport fees with the Contractor to substantiate that the State of California is subject to charges listed on rental receipts.

### J. MARKETING AND PROMOTIONAL ADS

All marketing and promotional ads regarding this contract must receive written approval by the DGS/STP Contractor Administrator, prior to distribution.

**EXHIBIT B****BUDGET DETAIL AND PAYMENT PROVISIONS****A. RATES**

1. Contractor shall charge the Base Rate plus, as applicable, taxes, State and local Government fees and surcharges, and/or airport fees except as stipulated in Paragraph 5. c) below.
2. Rates will include unlimited mileage provided the car is returned to the renting location or other drop point authorized by the Contractor at the time of pick up. Rates will not be subject to blackout dates or a minimum rental period. If the Contractor provides a vehicle not included in **Exhibit F** and **Exhibit G** the terms and conditions of this Agreement will still apply.
3. The Contractor will not charge additional fees for all one-way domestic rentals.
4. There will be no late, no show, energy recouping and/or cancellation fees charged to State employees and Optional Users.
5. Short Term Rates
  - a) The Daily Base Rate, Weekly Base Rate, and Maximum Cap Rate Daily, (as applicable), are set forth in **Exhibit F** and displayed in the GDS.
  - b) The vehicle must be returned with the same level of fuel it had when the renter picked it up, or the Contractor shall charge market fuel prices for vehicle refueling without requiring pre-payment. ZEV rate includes all charging costs. The renter is not required to return the ZEV at the same level of charge it had when it was picked up.
  - c) Applicable fees vary per airport. The State will not pay any fees for which it is exempted. Specific airport fees must be itemized in renter's receipt. If the Daily Base rate plus applicable airport fees is lower than the MCR, Contractor shall charge the lower amount. If the Daily Rate plus applicable fees is higher than the MCR, Contractor shall charge the MCR.
6. Long Term Rates
  - a) If long term rental procedures outlined in Exhibit A, Section 4. C.2. are followed, the monthly Base Rate shall apply provided the rental period is at least thirty (30) days. After the initial thirty (30) days, the rental vehicle will incur charges based on the daily or weekly rates provided in **Exhibit G**.
  - b) The vehicle must be returned with the same level of fuel it had when the renter picked it up, or the Contractor shall charge market fuel prices, for vehicle refueling without requiring pre-payment. The renter is not required to return a ZEV at the same level of charge it had when it was picked up.

**EXHIBIT B****7. Overage Charges**

- a) For short term vehicles rented on a daily or weekly basis, if overage charges apply for vehicles returned outside the rental period, the Contractor will charge one-third (1/3) of the Daily Base Rate per hour until the maximum Daily Base Rate is reached.
- b) For long term vehicles rented on a monthly basis, if overage charges apply for vehicles returned outside the rental period, the Contractor will charge the long term Daily Base Rate per day.

**B. PAYMENT**

1. Payment by a State employee or Optional User must be made through the State's authorized Travel Payment System (TPS). Contractor acceptance of the TPS as the only authorized form of payment is mandatory.
2. **CHARGES AND BILLING:** The reservation will be made through the authorized short term, long term or emergency reservation process utilizing an account identification number issued by the Contractor for each State or Optional User. The account identification number may contain: billing numbers that identify the traveler, the State or Optional User, the cost center, the Base Rate, and the insurance coverage. Monthly, the Contractor will charge all transactions to the TPS for payment. The State department or Optional User will receive a consolidated billing statement from TPS reflecting charges through the end of the billing cycle for that account. Detailed billing data shall come directly from the Contractor in accordance with Exhibit A., Section 8.I. REPORTS, including Agency Billing Code and Cost Center information. State and Optional Users are responsible for payment to the TPS.
3. Should the TPS change prior to the expiration of this Agreement, the DGS/STP Contract Administrator will notify the Contractor and provide new TPS account numbers.

**C. BILLING TO INDIVIDUAL DEPARTMENTS**

**THE CONTRACTOR WILL NOT BILL THE DGS/STP FOR VEHICLES RENTED BY EMPLOYEES OF OTHER OFFICES AND DEPARTMENTS.** The Contractor must invoice the employee's State department or Optional User direct billing account through the TPS and have an identified process for State departments and Optional Users to dispute incorrect charges.

**EXHIBIT D****SPECIAL TERMS AND CONDITIONS****1. SEVERABILITY**

If any provision of this agreement is held to be invalid or unenforceable for any reason, the remaining provisions will continue in full force without being impaired or invalidated in any way. The parties agree to replace any invalid provision with a valid provision, which most closely approximates the intent and economic effect of the invalid provision. Headings are used for convenience of reference only and in no way define, limit, construe or describe the scope or extent of any section, or in any way affect this Agreement.

**2. RIGHT TO TERMINATE**

The State reserves the right to terminate this agreement subject to 30 days written notice to the Contractor. The agreement can be immediately terminated for cause. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of the contract. In this instance, the contract termination shall be effective as of the date indicated on the State's notification to the Contractor.

**3. COMPLIANCE WITH RECALL NOTIFICATIONS**

When the Contractor receives a recall notice to owners under Section 30118 of the Federal Motor Vehicle Safety Act pursuant to 49 CFR 577.5 from a manufacturer and the Vehicle Identification Number (VIN) allowing Contractor to identify vehicles subject to the recall, Contractor shall ground all such vehicles as soon as practicable. Pursuant to this policy such vehicles will not be made available for rental under the State of California contract until a remedy specified by the manufacturer has been completed.

**4. POTENTIAL SUBCONTRACTORS**

Nothing contained in this Agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any monies to any subcontractor.



**EXHIBIT D****5. RESOLUTION OF CONTRACT DISPUTES**

- A. In the event of a dispute, Contractor will attempt resolution with the DGS/STP Contract Administrator with a written explanation of the situation. If no resolution is found, Contractor shall file a "Notice of Dispute" with the DGS, Office of Fleet and Asset Management Office Chief within ten (10) days of the failed resolution at the following addresses:

Department of General Services  
Office of Fleet and Asset Management  
1700 National Drive  
Sacramento, CA 95834  
Attention: Office Chief

- B. Within ten (10) days, the Office Chief shall meet with the Contractor and Project Manager for purposes of resolving the dispute. The decision of the Office Chief shall be final.

**6. EMPLOYMENT OF UNDOCUMENTED WORKERS**

By signing this Agreement, the Contractor swears or affirms that it has not, in the preceding five years, been convicted of violating a State or Federal law relative to the employment of undocumented workers.

**7. SPECIFIC STATUTORY REFERENCE**

Any reference to certain statutes in this Agreement shall not relieve the Contractor from the responsibility of complying with all other statutes applicable to the service, work, or rental to be furnished thereunder.

**8. DISABLED VETERANS BUSINESS ENTERPRISE (DVBE) PARTICIPATION (WITHOUT GOALS)**

The State has established no goals for DVBE participation for this Agreement. However, the Contractor shall be fully informed respecting the California Public Contract Code Section 10115 *et seq.*, which is incorporated by reference. Contractor is urged to obtain DVBE Subcontractor participation should clearly defined portions of the work become available.

**EXHIBIT E****INSURANCE TERMS AND CONDITIONS****1. GENERAL PROVISIONS APPLYING TO ALL POLICIES**

- A. Coverage Term – Coverage needs to be in force for the complete term of the contract. If insurance expires during the term of the contract, a new certificate must be received by the State at least ten (10) days prior to the expiration of this insurance. Any new insurance must comply with the original contract terms.
- B. Policy Cancellation or Termination & Notice of Non-Renewal – Contractor is responsible to notify the State within thirty (30) business days of any cancellation, non-renewal or material change that affects required insurance coverage. New certificates of insurance are subject to the approval of the Department of General Services and the Contractor agrees no work or services will be performed prior to obtaining such approval. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the State may terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract.
- C. Premiums, Assessments and Deductibles – Contractor is responsible for any premiums, policy assessments, deductibles or self-insured retentions contained within their insurance program.
- D. Primary Clause – Any required insurance contained in this contract shall be primary, and not excess or contributory, to any other insurance carried by the State.
- E. Insurance Carrier Required Rating – All insurance companies must carry an AM Best rating of at least “A–” with a financial category rating of no lower than VII. If the Contractor is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.
- F. Endorsements – Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
- G. Inadequate Insurance – Inadequate or lack of insurance does not negate the contractor's obligations under the contract.
- H. Use of Subcontractors - In the case of Contractor's utilization of subcontractors to complete the contracted scope of work, contractor shall include all subcontractors as insured's under Contractor's insurance or supply evidence of subcontractor's insurance to The State equal to policies, coverages, and limits required of Contractor.

**2. THIRD PARTY LIABILITY INSURANCE**

- A. THIRD PARTY LIABILITY INSURANCE COVERAGE AND INDEMNIFICATION:  
Notwithstanding the provisions of any Contractor rental vehicle agreement executed by the State employee, the Contractor will maintain in force, at its sole cost, insurance coverage which will indemnify, defend and otherwise protect the State of California and State employees against liability for personal injury, death, and property damage arising from the

**EXHIBIT E**

use of the vehicle, EXCEPT when the loss or damage is caused by one or more of the following:

- 1) Operation of the vehicle by a driver who contributed to the accident while (and has been adjudged by the courts to have been) under the influence of alcohol (in excess of the legal limits) or any illegal non-prescription drug.
- 2) Operation or use of the vehicle for any intentionally illegal purposes.

**3. CONTRACT INSURANCE REQUIREMENTS**

Contractor shall display evidence of the following on an Acor certificate of insurance evidencing the following coverages:

A. Third Party Liability Insurance – Contractor shall provide a certificate of insurance in the amount of \$300,000 per occurrence for bodily injury and property damage combined. The Certificate of insurance must include the following provisions in their entirety:

- 1) The limit of such liability shall be \$300,000 per occurrence for bodily injury and property damage combined. The conditions, restrictions and exclusions of the applicable insurance for any rental shall not be less favorable to the State of California and State employees than the coverage afforded under standard automobile liability policies. When more favorable insurance terms are required under applicable state or foreign country law, such terms will apply to the rental. Standard coverage will include mandatory no-fault benefits where required by law. The Contractor warrants that, to the extent permitted by law, the liability and property damage coverage provided are primary in all respects to other sources of compensation, including claims statutes or insurance available to the State of California, renter, or additional authorized driver. Proof of such insurance shall be provided to the State of California. Failure to maintain this required insurance will be grounds for termination of this agreement by the State.
- 2) ONLY COMMERCIAL INSURANCE WILL SATISFY THESE PROVISIONS REGARDING AUTOMOBILE LIABILITY. NO SELF INSURANCE WILL BE ACCEPTED.
- 3) The State of California, its officers, agents, employees and servants are included as additional insureds, but only so far as the operations under this contract are concerned.
- 4) The Certificate Holder shall be:

The State of California  
Department of General Services  
Statewide Travel Program  
707 3rd Street, MS 600  
West Sacramento, CA 95605

B. Commercial General Liability – Contractor shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined with a \$2,000,000 annual policy aggregate. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors,



**EXHIBIT E**

products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's limit of liability.

- 1) The policy must name The State of California, its officers, agents, and employees as additional insured, but only with respect to work performed under the contract.

C. Workers Compensation and Employers Liability – Contractor shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Contract. In addition, employer's liability limits of \$1,000,000 are required. By signing this contract, Contractor acknowledges compliance with these regulations.

- 1) A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must be attached to certificate.

**4. LOSS OF OR DAMAGE TO VEHICLE**

A. Notwithstanding the provisions of any Contractor vehicle rental agreement the Contractor hereby assumes and shall bear the entire risk of loss of, or damage to, the rented vehicles (including costs of towing, administrative costs, loss of use, and replacement), from any and every cause whatsoever, obtaining the vehicle through fraud or misrepresentation, including without limitation, casualty, collision, fire, upset, malicious mischief, vandalism, falling objects, overhead damage, glass disappearance, except where the loss or damage is caused by one or more of the following:

- 1) Willful or wanton misconduct on the part of a driver. Willful or wanton misconduct is conduct which is committed with an intentional or reckless disregard for the safety of others or with an intentional disregard of a duty necessary to the safety of another's property.
- 2) Operation of the vehicle by a driver who contributed to the vehicle damage while such person was (and has been adjudged by the courts to have been) under the influence of alcohol (in excess of the legal limits) or any illegal non-prescription drug.
- 3) Use of the vehicle for any intentionally illegal purpose.
- 4) Use or permitting the vehicle to carry unauthorized passengers.
- 5) Operation of the vehicle in a test race or contest.
- 6) Operation of the vehicle by a person other than an authorized driver.
- 7) Operation of the vehicle outside the continental United States except where such use is specifically authorized by the rental agreement. Operation across international boundaries unless specifically authorized at the time of rental. (State of California policy requires that the appropriate State agency approve the out-of-country travel, that the Contractor is notified regarding the trip and that the DGS, Office of Risk and Insurance Management (ORIM) approved insurance is obtained for the trip.)

**EXHIBIT E**

- 8) Operation of any vehicle that was not properly designed for that intended use.
- 9) Excessive vehicle wear and tear, due to off-road operation, that may include:
  - aa) Tire punctures or missing chunks of tread.
  - bb) Impact Damage (body panels or undercarriage) defined as follows:
    - i) Scratches larger than 2" or multiple scratches per panel penetrating the paint.
    - ii) Dents larger than 2" or multiple dents per panel.
    - iii) Impact to undercarriage that will require repair in order to maintain the drivability of the vehicle.
    - iv) Rips in upholstery, missing or broken interior components.
  - cc) Soot, smoke or stain damage requiring professional cleaning.

**5. DAMAGE LIABILITY**

State and Optional User employees will not be subject to any fee for loss or collision damage waiver, and in the event of an accident, will not be responsible for loss or damage to the vehicle except as stated in this Agreement.

**6. BILLING FOR DAMAGES**

When loss or damage is due to an exception stated in Paragraph 4. LOSS OF OR DAMAGE TO VEHICLE above, the Contractor will submit its bills directly to the State employee's department or Optional User agency. If the State department or Optional User agency denies liability on the basis that the employee was not operating the vehicle within the scope of employment at the time of the loss, the Contractor may handle the matter directly with the employee. Claims for damage to a vehicle will not include amounts for loss of use.

**EXHIBIT F****SHORT TERM RENTAL COST TABLE  
(BASE RATES)**

**Complete the table below:** Enter the Daily, Weekly and Maximum Cap Rate Daily rate for each VCT in U.S. dollars and cents up to two (2) decimal digits. If offering more than minimum Revenue Share percentage, enter a percentage on Additional Revenue Share line.

<b>VEHICLE CLASS TYPE:</b>	<b>DAILY</b>	<b>WEEKLY</b>	<b>MAXIMUM CAP RATE DAILY</b>
<b>Compact</b>	\$33.00	\$132.00	\$50.00
<b>Mid-Size/Intermediate</b>	\$33.00	\$132.00	\$50.00
<b>Full-Size</b>	\$35.00	\$140.00	\$53.00
<b>Mini Van</b>	\$56.00	\$224.00	\$78.00
<b>Four Wheel Drive (4WD)/Sport Utility Vehicle</b>	\$56.00	\$224.00	\$78.00
<b>Pick Up Truck</b>	\$70.00	\$280.00	\$94.00
<b>Hybrid Electric Vehicle</b>	\$42.00	\$168.00	\$62.00
<b>Plug-In Hybrid Electric Vehicle / Zero Emission Vehicle</b>	\$42.00	\$168.00	\$62.00

<b>REVENUE SHARE</b>	<b>Percent of all Base Rate Charges per Quarter</b>
Minimum Requirement:	3%
Additional Revenue Share above 3%: (i.e. 0.70% )	7%
Total Revenue Share: (i.e. 3.70%)	10%

**Note:** The State of New York is exempt from the Base Rate listed above. Such rates are subject to open market rates quoted at time of actual car rental.

## EXHIBIT G

### LONG TERM RENTAL COST TABLE (BASE RATES)

**Complete the table below:** Enter the Daily, Weekly and Monthly rate for each VCT in U.S. dollars and cents up to two (2) decimal digits. If offering more than minimum Revenue Share percentage, enter a percentage on Additional Revenue Share line.

VEHICLE CLASS TYPE (VCT):	DAILY	WEEKLY	MONTHLY
Compact	\$18.34	\$128.38	\$550.00
Mid-Size/Intermediate	\$18.34	\$128.38	\$550.00
Full-Size	\$20.00	\$140.00	\$600.00
Mini Van	\$31.67	\$221.69	\$950.00
Four Wheel Drive (4WD)/Sport Utility Vehicle	\$26.34	\$184.38	\$790.00
Pick Up Truck	\$26.34	\$184.38	\$790.00
Hybrid Electric Vehicle	\$24.17	\$169.19	\$725.00
Plug-In Hybrid Electric Vehicle / Zero Emission Vehicle	\$24.17	\$169.19	\$725.00

REVENUE SHARE	Percent of all Base Rate Charges per Quarter
Minimum Requirement:	3%
Additional Revenue Share above 3%: (i.e. 0.70% )	7%
Total Revenue Share: (i.e. 3.70%)	10%

**Note:** The State of New York is exempt from the Base Rate listed above. Such rates are subject to open market rates quoted at time of actual car rental.

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Technical Proposal – Short Term

National Car Rental and Enterprise Rent-A-Car



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## Section I: Reservations

### **1. Explain how and when short term State Contract Rates for all participating locations will be loaded into Sabre.**

Enterprise and National operate seamlessly with all travel agency Global Distribution System (GDS) direct-link products. Once awarded the Short Term Contract, rate plans would be created and submitted to our corporate office to be loaded into our system. Upon being loaded, rates would be available within 24 hours. Therefore, rates would be available at all participating locations on the Go Live date.

### **2. Explain how and when short term vehicle inventory for all participating locations will be loaded into Sabre.**

Due to Enterprise and National's large number of corporate rental partners that book through the various GDS systems, our locations are already loaded into these systems. All participating locations would be available to State of California renters for booking on the Go Live date. In addition, our vehicle inventory for each location is automatically updated within our systems and is available through all GDS systems in real time. Our operations and headquarters staff analyze vehicle requirements hourly for each location to ensure we maintain inventory at all times. We also move and share vehicles between cities and locations, which allows us to shift resources to meet demand.

### **3. Describe your approach to quality control and internal testing to ensure the State can verify online reservations for participating locations.**

All Enterprise and National locations in North America will participate in this Contract (excluding locations in New York as specified by the RFP). This will alleviate the State from needing to verify if the Contract is available to users at a specified location. Our locations with a high volume of State rentals will run daily reports to ensure that they have vehicles in place to meet the State's demands. Our yield management teams will constantly monitor the flow of State reservations to make sure we meet demand for vehicles. The State has priority in our reservation system and we will shut down other lines of business in order to guarantee that we have the needed vehicles for the State. When the State makes a reservation we will guarantee to have the vehicle at that location.

Additionally, we send a weekly report to Concur with any openings, closures or modifications that are made in our rental branch locations, which ensures the system is always up to date. Once invoices are closed, they are audited to insure accuracy before being released into our billing system.

**4. Describe your process to identify, control and report short-term rental reservation activity that may indicate renters' attempts to bypass long term rental reservation procedures, e.g. multiple short term reservations totaling more than 30 days. Explain in detail how technology and/or procedures would address potential scenarios. Please provide a sample report identifying circumstances where short term rentals became long term rentals.**

In order to help identify potential Long Term Rentals that are utilizing the Short Term Contract, we designed a report that can be used as a tool by each department to review rentals. This report will be run quarterly for the State's direct bill account numbers and would summarize the number of invoices and rental days by renter names. This report highlights renters whose rentals for the quarter exceed an agreed upon number of days.

For example, if the State wants to identify renters who have had a vehicle for more than 60 days in a 90-day period, we will supply that data. The number of days would need to be a set number to be used by all direct bill accounts. Once identified, the account manager will work with the direct bill account and the STP to direct them to the long term program.

See the sample report below:

**Quarterly Report by Renter**

ENTERPRISE HOLDINGS.

Direct Bill Account #: ABC1234

Time Period: January - March 2015

<u>Last Name</u>	<u>First Name</u>	<u># of Rental Agreements</u>	<u># of Rental Days</u>
Brown	Dylan	10	85
Fitch	Connor	6	75
Jones	Allen	5	72
Smith	John	4	65

**5. Describe the quality of customer service you will provide for CalTravelStore agent-assisted reservations or STP requests.**

Enterprise and National will provide a local, dedicated account manager to be the point of contact for both CalTravelStore and the STP. Your account manager will assist with the day-to-day needs of the mutual customers. The account manager would be the State's single point of contact, which eliminates the need for CalTravelStore agents or the STP team to contact multiple locations with questions.

There are also several ways agents may obtain assistance:

**National:**

1-800-328-4300 – Travel Agency Reservation Help  
1-800-328-2233 – GDS Booking Format Help  
tagents@nationalcar.com

**Enterprise:**

1-800-424-1282 – Travel Agent Help Desk  
travelagenthelp@erac.com

In addition to having a dedicated staff member to manage the Short Term Contract, our brands monitor the quality of our customer service to ensure we are providing the best possible experience for our customers. Our Service Quality index (SQi) for each of our brands and teams is what we use to measure customer satisfaction.

Enterprise and National employees and teams are determined to maintain high SQi scores by providing top-notch, personalized customer service to retain the absolute loyalty that comes with complete satisfaction. We also use our customer satisfaction data to monitor changing industry trends, needed global enhancements, and local service issues to continually improve and distinguish our service from the competition.



## Section II: Payment and Billing

### **1. Describe the process to create direct billing accounts for California State and Optional Users. Include how new accounts will be created and existing accounts will be managed.**

The Direct Bill Profile must be completed for each direct bill number. Direct bill accounts normally default to a monthly bill cycle. Your account manager will discuss the options available to you and will determine the billing cycle that works best for the State's renters and optional users.

As the current Short Term Contractor, Enterprise Holdings has experienced team members and processes in place to expedite the creation and maintenance of all direct bill accounts for State and optional users. New accounts will be created and CalTravelStore and the STP will be provided with the department-specific direct bill Numbers. This will minimize any chance of fraud on each account.

### **2. Explain your approach to link direct billing accounts to TPS account numbers, currently provided by American Express, and ensure direct billing accounts will be the only means of payment accepted for State employees and Optional Users at all participating locations. Include how user account linkage to TPS account numbers will be created, deleted, and modified.**

Our direct bill accounts will be linked to the TPS account numbers behind the scenes. All State and Optional User accounts will be assigned a unique account number that will only be provided to the STP and CalTravelstore. The State renter or Optional User must have a reservation made using the direct bill account number prior to a rental taking place. All account creations, deletions and modifications can be requested through the Account Manager and will be submitted to our corporate office for completion. When a traveler enrolls in the Emerald Club, we will create a profile unique to that traveler that stores, among other items, his/her name, address, driver's license data, and payment method. This will ensure that the correct TPS account number and billing reference is applied to that traveler's rentals.

### **3. Describe your process for State Departments and Optional Users to dispute incorrect charges.**

Our local rental branch staffs are empowered to make adjustments at the time of vehicle return. Travelers are encouraged to review their charges prior to leaving the facility.

Should a traveler find a discrepancy after leaving the location, he or she should contact their travel coordinator, who will contact the dedicated Enterprise and National staff supporting your account. We will take the appropriate steps to resolve the discrepancy.

### **4. Describe the process to ensure accurate billing.**

Our reservation system incorporates an automated rate quote program to ensure that the appropriate contractual rates and provisions will be applied. This is driven by an Account Number, which ensures 100 percent compliance with the State's contract. Whenever a reservation is placed using this account number, the rates and terms of the State's agreement are recognized as primary and are automatically extended to the renter. In addition, procedures at our rental counters, such as verifying State IDs, would be followed by each rental branch to ensure the proper direct bill accounts are being used.

**5. Describe options in your billing delivery system, your reporting capabilities, and provide examples of standard billing reports.**

Each State direct bill account and Optional User will receive a monthly report summarizing all activity for the previous billing cycle. This report is designed to provide information to support reconciliation of travel and payment to the State's Travel Payment System (TPS). These monthly bills include the following information for each invoice:

- Agency Name
- Agency Direct Bill Number
- Invoice Number
- Reservation Number
- Driver Name
- Check-Out Location
- Check-Out Date
- Check-In Location
- Check-Out Date
- Total Days Rented
- Miles Out
- Miles In
- Total Miles Driven
- Car Class
- Average Time and Miles (Rate)
- Fuel Charges
- Taxes/Fees
- Total Billed Charges
- Vehicle Information:
  - Make
  - Model
  - Year
  - License Plate
  - VIN

These reports can be emailed to multiple points of contacts if required, in addition to the STP.

Please see Appendix A for sample report

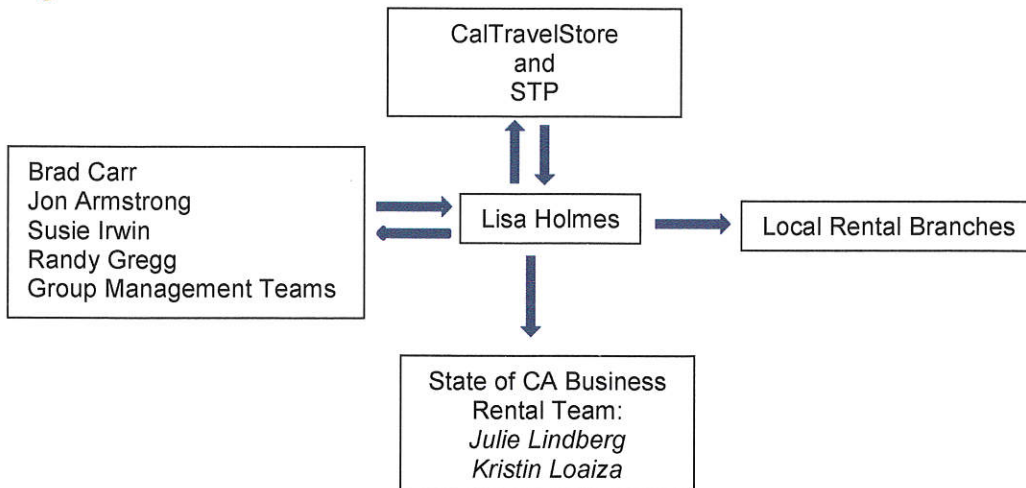
### Section III: Planning

#### 1. Provide an outline that includes timelines for implementation, key milestone dates, deliverables, and an organizational chart.

As a result of our long-standing relationship with the State of California, the implementation process will be a seamless and smooth transition for the State and its travelers. Our current Contract will continue through December 31, 2015 and the new Short Term Contract would go into effect January 1, 2016. Once the Short Term Contract is awarded, we would begin the process of getting all of the accounts updated and/or created and loaded with new rate plans. All aspects of the new Short Term Contract would be available to all accounts as of the Go Live date, January 1<sup>st</sup>, 2016.

All stages of the implementation and management processes will be handled directly by the Account Manager, with support from local management and administrative staff. Your dedicated Account Manager will continue to conduct regular meetings with the State of California to review the success of your rental program. Training supplies will be delivered as needed or as requested by each direct bill account.

#### Organizational Chart



#### Proposed Time Table for Implementation

- |                 |  |
|-----------------|--|
| October 2015:   | - Notice of intent to award  |
| November 2015*: | - Work with STP to identify new account  |
|                 | - Create new account and billing numbers and deliver to CalTravelStore and STP   |
|                 | - Start training as needed with Travel Agency, Rental Branches, State Department/Agencies, and Optional Users  |
|                 | - Design and submit new rate plans for Short Term Contract to corporate office to be loaded by December 1 <sup>st</sup> , 2015 for random location rate verification |
| December 2015*: | - Continue training as needed with Travel Agency, Rental Branches, State Department/Agencies, and Optional Users   |

\* Dates may vary depending on actual Contract award date

**2. Identify key individuals who will be responsible for implementation, their roles and responsibilities.**

There will be several key individuals involved in the implementation and management of the Short Term Contract. The primary individual will be the Account Manager, Lisa Holmes, who will be responsible for the overall administration of the account. Her team of Business Rental Account Representatives will assist with various aspects of the implementation, from travel agency support to support for State agencies, direct bill accounts, and Optional Users.

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Lisa's history with the State of California makes her a valuable source of knowledge and experience, and an excellent Account Manager. She would continue in this role bringing with her a team of individuals prepared to handle the large volume and requirements of the State of California Contract.

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MERV is designed to be a temporary solution (two to three weeks) until a temporary building is acquired within which normal operations can resume or the closest local branch is reopened.

Features include:

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If awarded the Short Term and Long Term Contract, Enterprise and National will have seamless access to vehicles to fulfill needs for both long- and short-term rentals. Our vehicle availability processes are the same for both types of rentals and our fleet can easily be moved to the area where vehicles are needed.

## Section V: Organization

**1. Provide a brief history of your company including: start of operations, wholly owned subsidiaries, the level these entities are integrated into your system of record, number of employees, gross sales, number of corporate/government accounts, and total number of commercial car vehicles available in California and nationwide.**

With more than 90,000 employees, 1.7 million vehicles, and annual global revenue of \$19.4 billion (including affiliate Enterprise Fleet Management), Enterprise Holdings is the largest car rental service provider in the world.

Headquartered in St. Louis, Missouri, our company is an independently-owned, private corporation operating the National Car Rental and Enterprise Rent-A-Car brands, along with several other operational divisions all dedicated to providing our customers with an easy and efficient total transportation network.

Enterprise Rent-A-Car is known for operating the largest fleet of passenger vehicles in the world and our extensive network of locations worldwide. We are the first choice for business travelers who need to rent near their homes or offices while providing their companies savings. To accommodate home-city rentals, Enterprise has branch offices located within 15 miles of 90 percent of the U.S. population.

National Car Rental has long been favored by frequent renters at airports for speed and vehicle choice. We introduced the car rental industry's first comprehensive frequent-renter program, Emerald Club, in 1987. Today, Emerald Club continues to expedite the car rental process for time-sensitive corporate travelers by offering counter bypass and automatic e-receipts, as well as car choice — which enables customers to quickly choose their own vehicles without any paperwork and simply drive away.

Collectively, the Enterprise family of companies operates a network of 8,000 car rental locations in neighborhoods and at airports worldwide and is the most comprehensive service provider in the industry, unparalleled in size, strength, and stability. With these two brands, Enterprise Holdings gives businesses the service, value, and convenience they expect from the brands they have come to know and trust — and the most comprehensive business rental solution in the marketplace.

Enterprise and National currently serve approximately 600,000 corporate accounts, with a retention rate of 95 percent. We have contracts in place with many government agencies and municipalities, including at the state, local and national level.

### Licensees

Only 6.5 percent of National's U.S. revenue transacts through licensee locations. All North American Enterprise locations are corporately owned.

National Car Rental licensees have a long history of cooperation with their parent company and allow us to offer premium rental services in large and small markets throughout the United States. Our licensees are so well-integrated into our rental network that they are indistinguishable from our corporate locations. Every licensee manager and staff member receives in-depth training and participates in our comprehensive Quality Improvement Process, including our unique Quality Service Program that monitors customer satisfaction. Through a sophisticated computer network, both our corporate and licensee locations are linked to our electronic reservation and rental system, automating contract compliance.

### Vehicles

Enterprise Holdings, together with affiliate Enterprise Fleet Management, is the largest private purchaser of vehicles in North America. Enterprise and National share the U.S. fleet of more than 931,900 vehicles. In California, the total number of vehicles is approximately 148,000.



Appendix A

Account Name : Department A

Account Number : 123ABCD

Invoice Date : 08/22/2015

Vendor Name : EAN Services LLC

Invoice #	Hourly Rate	Daily Rate	Weekly Rate	Monthly Rate	Time Charged	Sales Tax	Fuel	Other Fees	Total Amt Due	Rental Office Address	Rental City	Rental State	Renter's Name	PO #	Res #	Date Out	Time Out	Date In	Time In	# of Days	Start Miles	End Miles	Total Miles	Car Class	Unit	Year	Make	Model	License Plate	VIN
2YN8H			\$127.72		\$127.72	\$10.22			\$137.94	8420 ELK GROVE BLVD	ELK GROVE	CA	SMITH, JOHN	ABCDEF	395798245	7/17/2015	15:46	7/23/2015	14:04	6	433	736	303	ICAR	XXQ9VC	16	CHEV	CRZL	12YVW127	123456
2YK3FL			\$140.49		\$140.49	\$11.24			\$151.73	4732 AUBURN BLVD	SACRAMENTO	CA	BROWN, JOE	ABCDEF	395733907	7/17/2015	16:14	7/21/2015	17:48	5	8652	9184	532	IRAR	XX3NOR	15	JEEP	COMP	12YVW128	123456
2YKD19			\$127.72		\$127.72	\$10.50			\$138.22	780 W PINEDALE AVE	FRENO	CA	SHAW, JAMES	ABCDEF	395738952	7/17/2015	17:30	7/21/2015	7:33	4	109	487	378	ICAR	XXHF3M	16	HYUN	ELAN	12YVW129	345678
2YNNWP			\$127.72		\$127.72	\$9.58			\$137.30	5810 GASOLINE DR	BAKERSFIELD	CA	SILVA, DYLAN	ABCDEF	395792087	7/18/2015	9:33	7/24/2015	17:59	7	4987	5786	799	ICAR	XXDFP5	15	DODG	DART	12YVW126	456789
2YPCVX		\$31.93			\$95.79	\$7.54			\$103.33	630 ORANGE DRIVE	VACAVILLE	CA	CLARK, CONNOR	ABCDEF	395778613	7/18/2015	10:20	7/21/2015	8:01	3	8483	9208	725	ICAR	XXTKM6	15	HYUN	VELO	12YVW125	567891
<b>Total</b>									<b>\$668.51</b>																					

Technical Proposal – Long Term

National Car Rental and Enterprise Rent-A-Car



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Section II: Payment and Billing .....	5
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Section IV: Emergencies .....	10
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## Section I: Reservations

### **1. Describe your approach to ensure long term rates will be uniformly applied at all Participating Locations.**

Enterprise and National operate seamlessly with all travel agency Global Distribution System (GDS) direct-link products. Once awarded the Long Term Contract, rate plans would be created and submitted to our corporate office to be loaded into our system. Upon being loaded, rates would be available within 24 hours. Therefore, rates would be available at all participating locations on the Go Live date.

### **2. Explain how long term State Contract Rates and vehicle inventory for all participating locations will be made available to STP and users.**

Due to Enterprise and National's large number of corporate rental partners that book through the various GDS systems, our locations are already loaded into these systems. All participating locations would be available to State of California renters for booking on the Go Live date. In addition, our vehicle inventory for each location is automatically updated within our systems and is available through all GDS systems in real time. Our operations and headquarters staff analyze vehicle requirements hourly for each location to ensure we maintain inventory at all times. We also move and share vehicles between cities and locations, which allows us to shift resources to meet demand.

### **3. Describe your approach to quality control to ensure the State can verify that long term reservations are accurate**

All Enterprise and National locations in North America will participate in this Contract (excluding locations in New York as specified by the RFP). This will alleviate the State from needing to verify if the Contract is available to users at a specified location. Our locations with a high volume of State rentals will run daily reports to ensure that they have vehicles in place to meet the State's demands. Our yield management teams will constantly monitor the flow of State reservations to make sure we meet demand for vehicles. The State has priority in our reservation system and we will shut down other lines of business in order to guarantee that we have the needed vehicles for the State. When the State makes a reservation we will guarantee to have the vehicle at that location.

Additionally, we send a weekly report to Concur with any openings, closures or modifications that are made in our rental branch locations, which ensures the system is always up to date. Once invoices are closed, they are audited to insure accuracy before being released into our billing system.

**4. Describe your process for making long term reservations, including your approach to ensure required preapprovals are obtained prior to fulfilling reservations.**

Enterprise and the STP will collaborate to create a form for use by all State direct bill accounts to request a Long Term Rental. Upon request by a State Direct Bill Account, the STP will email the blank form for completion. Once the Long Term Rental has been approved at a department level, it will be forwarded back to the STP, which will make the final approval and forward the request to the Enterprise Holdings Account Manager. At this point, the Account Manager will coordinate with the State Direct Bill Account contact to facilitate the pickup of the requested vehicle. A sample of such a form may look as follows:

**State of CA Request for Long Term Rental**

**Request Information**

Department/Agency: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Phone Number: \_\_\_\_\_

Contact Email: \_\_\_\_\_

Reason Long Term Rental  
is being requested: \_\_\_\_\_

**Department Approval**

Rental Approved By: \_\_\_\_\_

Date Approved: \_\_\_\_\_

**Rental Information**

Driver's First and Last  
Name: \_\_\_\_\_

Driver's Phone Number: \_\_\_\_\_

Driver's Email Address: \_\_\_\_\_

Start Date of Rental: \_\_\_\_\_

Estimated Length: \_\_\_\_\_

Vehicle Type Required: \_\_\_\_\_

**STP Approval**

Rental Approved By: \_\_\_\_\_

Date Approved: \_\_\_\_\_

Once all fields have been completed please email to Enterprise holdings at #####@ehi.com \*

*\*Please Note:*

*#####@ehi.com - an email account will be set up for requests that can be monitored my multiple members team managing the Long Term Contract*

**5. Describe the quality of customer service you will provide for making long term reservations.**

Enterprise and National will provide a local, dedicated account manager to be the point of contact for both CalTravelStore and the STP. Your account manager will assist with the day-to-day needs of the mutual customers. The account manager would be the State's single point of contact, which eliminates the need for CalTravelStore agents or the STP team to contact multiple locations with questions.

There are also several ways agents may obtain assistance:

National:

1-800-328-4300 – Travel Agency Reservation Help  
1-800-328-2233 – GDS Booking Format Help  
[tagents@nationalcar.com](mailto:tagents@nationalcar.com)

Enterprise:

1-800-424-1282 – Travel Agent Help Desk  
[travelagenthelp@erac.com](mailto:travelagenthelp@erac.com)

In addition to having a dedicated staff member to manage the Long Term Contract, our brands monitor the quality of our customer service to ensure we are providing the best possible experience for our customers. Our Service Quality index (SQi) for each of our brands and teams is what we use to measure customer satisfaction.

Enterprise and National employees and teams are determined to maintain high SQi scores by providing top-notch, personalized customer service to retain the absolute loyalty that comes with complete satisfaction. We also use our customer satisfaction data to monitor changing industry trends, needed global enhancements, and local service issues to continually improve and distinguish our service from the competition.

## Section II: Payment and Billing

**1. Describe the process to create direct billing accounts for California State and Optional Users. Include how new accounts will be created and existing accounts will be managed.**

The Direct Bill Profile must be completed for each direct bill number. Direct bill accounts normally default to a monthly bill cycle. Your account manager will discuss the options available to you and will determine the billing cycle that works best for the State's renters and optional users.

As the current Long Term Contractor, Enterprise Holdings has experienced team members and processes in place to expedite the creation and maintenance of all direct bill accounts for State and optional users. New accounts will be created and CalTravelStore and the STP will be provided with the department-specific direct bill Numbers. This will minimize any chance of fraud on each account.

**2. Explain your approach to link direct billing accounts to TPS account numbers, currently provided by American Express, and ensure direct billing accounts will be the only means of payment accepted for State employees and Optional Users at all participating locations. Include how user account linkage to TPS account numbers will be created, deleted, and modified**

Our direct bill accounts will be linked to the TPS account numbers behind the scenes. All State and Optional User accounts will be assigned a unique account number that will only be provided to the STP and CalTravelstore. The State renter or Optional User must have a reservation made using the direct bill account number prior to a rental taking place. All account creations, deletions and modifications can be requested through the Account Manager and will be submitted to our corporate office for completion. When a traveler enrolls in the Emerald Club, we will create a profile unique to that traveler that stores, among other items, his/her name, address, driver's license data, and payment method. This will ensure that the correct TPS account number and billing reference is applied to that traveler's rentals.

**3. Describe your process for State Departments and Optional Users to dispute incorrect charges.**

Our local rental branch staffs are empowered to make adjustments at the time of vehicle return. Travelers are encouraged to review their charges prior to leaving the facility.

Should a traveler find a discrepancy after leaving the location, he or she should contact their travel coordinator, who will contact the dedicated Enterprise and National staff supporting your account. We will take the appropriate steps to resolve the discrepancy.

**4. Describe the process to ensure accurate billing.**

Our reservation system incorporates an automated rate quote program to ensure that the appropriate contractual rates and provisions will be applied. This is driven by an Account Number, which ensures 100 percent compliance with the State's contract. Whenever a reservation is placed using this account number, the rates and terms of the State's agreement are recognized as primary and are automatically extended to the renter. In addition, procedures at our rental counters, such as verifying State IDs, would be followed by each rental branch to ensure the proper direct bill accounts are being used.

**5. Describe options in your billing delivery system, your reporting capabilities, and provide examples of standard billing reports.**

Each State direct bill account and Optional User will receive a monthly report summarizing all activity for the previous billing cycle. This report is designed to provide information to support reconciliation of travel and payment to the State's Travel Payment System (TPS). These monthly bills include the following information for each invoice:

- Agency Name
- Agency Direct Bill Number
- Invoice Number
- Reservation Number
- Driver Name
- Check-Out Location
- Check-Out Date
- Check-In Location
- Check-Out Date
- Total Days Rented
- Miles Out
- Miles In
- Total Miles Driven
- Car Class
- Average Time and Miles (Rate)
- Fuel Charges
- Taxes/Fees
- Total Billed Charges
- Vehicle Information:
  - Make
  - Model
  - Year
  - License Plate
  - VIN

These reports can be emailed to multiple points of contacts if required, in addition to the STP.

Please see Appendix A for a sample report.

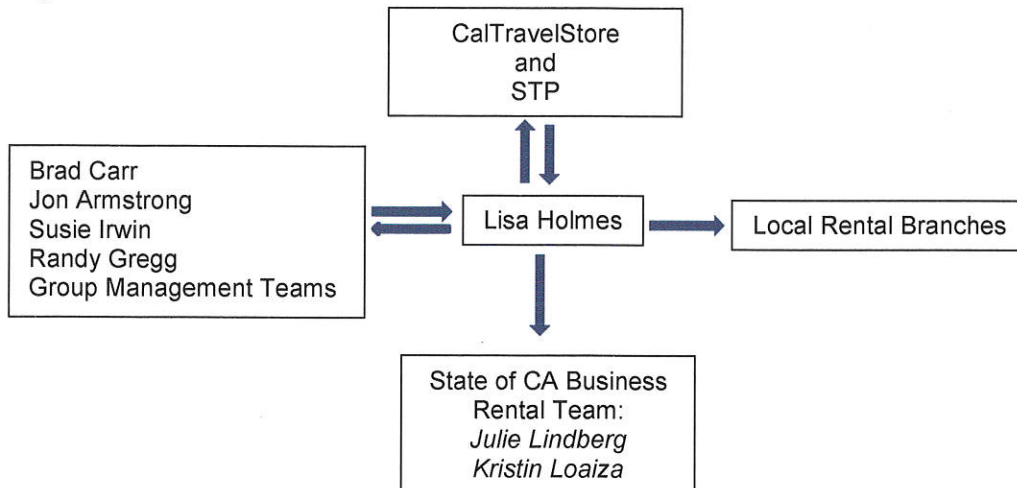
### Section III: Planning

#### 1. Provide an outline that includes timelines for implementation, key milestone dates, deliverables, and an organizational chart

As a result of our long-standing relationship with the State of California, the implementation process will be a seamless and smooth transition for the State and its travelers. Our current Contract will continue through December 31, 2015 and the new Long Term Contract would go into effect January 1<sup>st</sup>, 2016. Once the Long Term Contract is awarded, we would begin the process of getting all of the accounts updated and/or created and loaded with new rate plans. All aspects of the new Long Term Contract would be available to all accounts as of the Go Live date, January 1<sup>st</sup>, 2016.

All stages of the implementation and management processes will be handled directly by the Account Manager, with support from local management and administrative staff. Your dedicated Account Manager will continue to conduct regular meetings with the State of California to review the success of your rental program. Training supplies will be delivered as needed or as requested by each direct bill account.

#### Organizational Chart



#### Proposed Time Table for Implementation

- |                 |   |
|-----------------|---|
| October 2015:   | - Notice of intent to award   |
| November 2015*: | - Work with STP to identify new account   |
|                 | - Create new account and billing numbers and deliver to CalTravelStore and STP  |
|                 | - Start training as needed with Travel Agency, Rental Branches, State Department/Agencies, and Optional Users   |
|                 | - Design and submit new rate plans for Long Term Contract to corporate office to be loaded by December 1 <sup>st</sup> , 2015 for random location rate verification |
| December 2015*: | - Continue training as needed with Travel Agency, Rental Branches, State Department/Agencies, and Optional Users  |

\* Dates may vary depending on actual Contract award date



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In the rare event that we are running low on inventory, we will communicate with CalTravelStore and the STP via email and phone to advise our partners of the situation. We will develop a plan together to remedy the situation and mitigate any service interruptions to our customers. With our large network of rental branch locations and shared fleet, we are able to get vehicles moved to the locations in need quickly.

**4. Describe the communication chain and business processes you would invoke to coordinate with the short term Contractor to increase available inventory to meet emergency vehicle demands.**

If awarded only the Long Term Contract, Enterprise and National would put into place processes to assist the Short Term Contractor in the case that they suffer a shortage of vehicles and cannot fulfill a direct bill account's needs. Our account manager would work directly with the designated individual for the Short Term Contract to facilitate reservations and the acquisition of vehicles for any individuals who they cannot place in vehicles.

If awarded the Short Term and Long Term Contract, Enterprise and National will have seamless access to vehicles to fulfill needs for both long- and short-term rentals. Our vehicle availability processes are the same for both types of rentals and our fleet can easily be moved to the area where vehicles are needed.

## Section V: Organization

**1. Provide a brief history of your company including: start of operations, wholly owned subsidiaries, the level these entities are integrated into your system of record, number of employees, gross sales, number of corporate/government accounts, and total number of commercial car vehicles available in California and nationwide**

With more than 90,000 employees, 1.7 million vehicles, and annual global revenue of \$19.4 billion (including affiliate Enterprise Fleet Management), Enterprise Holdings is the largest car rental service provider in the world.

Headquartered in St. Louis, Missouri, our company is an independently-owned, private corporation operating the National Car Rental and Enterprise Rent-A-Car brands, along with several other operational divisions all dedicated to providing our customers with an easy and efficient total transportation network.

Enterprise Rent-A-Car is known for operating the largest fleet of passenger vehicles in the world and our extensive network of locations worldwide. We are the first choice for business travelers who need to rent near their homes or offices while providing their companies savings. To accommodate home-city rentals, Enterprise has branch offices located within 15 miles of 90 percent of the U.S. population.

National Car Rental has long been favored by frequent renters at airports for speed and vehicle choice. We introduced the car rental industry's first comprehensive frequent-renter program, Emerald Club, in 1987. Today, Emerald Club continues to expedite the car rental process for time-sensitive corporate travelers by offering counter bypass and automatic e-receipts, as well as car choice — which enables customers to quickly choose their own vehicles without any paperwork and simply drive away.

Collectively, the Enterprise family of companies operates a network of 8,000 car rental locations in neighborhoods and at airports worldwide and is the most comprehensive service provider in the industry, unparalleled in size, strength, and stability. With these two brands, Enterprise Holdings gives businesses the service, value, and convenience they expect from the brands they have come to know and trust — and the most comprehensive business rental solution in the marketplace.

Enterprise and National currently serve approximately 600,000 corporate accounts, with a retention rate of 95 percent. We have contracts in place with many government agencies and municipalities, including at the state, local and national level.

### **Licensees**

Only 6.5 percent of National's U.S. revenue transacts through licensee locations. All North American Enterprise locations are corporately owned.

National Car Rental licensees have a long history of cooperation with their parent company and allow us to offer premium rental services in large and small markets throughout the United States. Our licensees are so well-integrated into our rental network that they are indistinguishable from our corporate locations. Every licensee manager and staff member receives in-depth training and participates in our comprehensive Quality Improvement Process, including our unique Quality Service Program that monitors customer satisfaction. Through a sophisticated computer network, both our corporate and licensee locations are linked to our electronic reservation and rental system, automating contract compliance.

### **Vehicles**

Enterprise Holdings, together with affiliate Enterprise Fleet Management, is the largest private purchaser of vehicles in North America. Enterprise and National share the U.S. fleet of more than 931,900 vehicles. In California, the total number of vehicles is approximately 148,000.

Appendix A

Account Name : Department A

Account Number : 123ABCD

Invoice Date : 08/22/2015


Vendor Name : EAN Services LLC

Invoice #	Hourly Rate	Daily Rate	Weekly Rate	Monthly Rate	Time Charged	Sales Tax	Fuel	Other Fees	Total Amt Due	Rental Office Address	Rental City	Rental State	Renter's Name	PO #	Res #	Date Out	Time Out	Date In	Time In	# of Days	Start Miles	End Miles	Total Miles	Car Class	Unit	Year	Make	Model	License Plate	VIN
2YN8H			\$127.72		\$127.72	\$10.22			\$137.94	8420 ELK GROVE BLVD	ELK GROVE	CA	SMITH, JOHN	ABCDEFGF	395798245	7/17/2015	15:46	7/23/2015	14:04	6	433	736	303	ICAR	XXQ9YC	16	CHEV	CRZL	12YW127	123456
2YK3FL			\$140.49		\$140.49	\$11.24			\$151.73	4732 AUBURN BLVD	SACRAMENTO	CA	BROWN, JOE	ABCDEFGF	395733907	7/17/2015	16:14	7/21/2015	17:48	5	8652	9184	532	IRAR	XX3N0R	15	JEEP	COMP	12YW128	123456
2YKDY9			\$127.72		\$127.72	\$10.50			\$138.22	780 W PINEDALE AVE	FRESNO	CA	SHAW, JAMES	ABCDEFGF	395738952	7/17/2015	17:30	7/21/2015	7:33	4	109	487	378	ICAR	XXHF3M	16	HYUN	ELAN	12YW129	345678
2YNWBP			\$127.72		\$127.72	\$9.58			\$137.30	5810 GASOLINE DR	BAKERSFIELD	CA	SILVA, DYLAN	ABCDEFGF	395792087	7/18/2015	9:33	7/24/2015	17:59	7	4987	5786	799	ICAR	XXDFP5	15	DODG	DART	12YW126	456789
2YPCVX	\$31.93				\$95.79	\$7.54			\$103.33	630 ORANGE DRIVE	VACAVILLE	CA	CLARK, CONNOR	ABCDEFGF	395778613	7/18/2015	10:20	7/21/2015	8:01	3	8483	9208	725	ICAR	XXTKM6	15	HYUN	VELO	12YW125	567891
Total									\$668.51																					



**ATTACHMENT 3****CONTRACTOR CERTIFICATION CLAUSES****CCC-307****CERTIFICATION**

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

Contractor/Bidder Firm Name (Printed) <b>EAN Services, LLC</b>		Federal ID Number <b>26-1186485</b>
By (Authorized Signature) 		
Printed Name and Title of Person Signing <b>JAY P. GOLDER, ASST. Secretary</b>		
Date Executed <b>9/24/2015</b>	Executed in the County of <b>St. Louis, MO</b>	

**CONTRACTOR CERTIFICATION CLAUSES**

1. **STATEMENT OF COMPLIANCE**: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS**: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the

**ATTACHMENT 3**

certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

**3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION:** Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

**4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT:** Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

**5. EXPATRIATE CORPORATIONS:** Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code (PCC) section 10286 and 10286.1, and is eligible to contract with the State of California.

**6. SWEATFREE CODE OF CONDUCT:**

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at <https://www.dir.ca.gov/sweatfreecode.htm>, and PCC section, 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).



**ATTACHMENT 3**

**7. DOMESTIC PARTNERS:** For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with PCC section, 10295.3.

**DOING BUSINESS WITH THE STATE OF CALIFORNIA**

The following laws apply to persons or entities doing business with the State of California.

**1. CONFLICT OF INTEREST:** Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

**Current State Employees (Pub. Contract Code §10410):**

1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

**Former State Employees (Pub. Contract Code §10411):**

1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

**2. LABOR CODE/WORKERS' COMPENSATION:** Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

**3. AMERICANS WITH DISABILITIES ACT:** Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

**ATTACHMENT 3**

4. **CONTRACTOR NAME CHANGE:** An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. **CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:**

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. **RESOLUTION:** A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. **AIR OR WATER POLLUTION VIOLATION:** Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. **PAYEE DATA RECORD FORM STD. 204:** This form must be completed by all contractors that are not another state agency or other governmental entity.



DEPARTMENT OF GENERAL SERVICES  
STATEWIDE TRAVEL MANAGEMENT PROGRAM  
**TRAVEL BULLETIN**

**Travel Bulletin: # 16-02**

**Effective Date: March 1, 2016**

**Expiration Date: Feb. 28, 2018**

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**SUBJECT:** Commercial Car Rental (CCR) Services Contract

**PURPOSE:** Notification of the CCR Contract, Short-term and Long-term Rate Changes

**REFERENCE:** Agreement No. 5159905

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<b>Overview</b>	<p>This Travel Bulletin announces the award of the Department of General Services (DGS) statewide and national Commercial Car Rental (CCR) contract with EAN Services, LLC (Enterprise Rent-A-Car and National Car Rental). International services are not available under the contract. The contract covers a period of performance from March 1, 2016 through Feb. 28, 2018 and has three optional one-year time extensions.</p> <p>The new contract provides significant cost savings through discount rental rates and insurance coverage as well as enhanced conveniences for travelers through express service locations, no one way drop charges, more availability through Concur and priority during times of emergency for responding departments.</p>
<b>Base and Maximum Cap Rates</b>	<p>State employees using the CCR contract should first select compact or intermediate vehicles over other Vehicle Car Types (VCTs). If rental of other VCTs is necessary, refer to the Exceptions section of this bulletin for instructions. Below are base and maximum cap rates (MCRs) for Compact and Intermediate VCTs. A detailed list of all VCT base and MCRs is attached and posted at: <a href="http://www.dgs.ca.gov/travel/Programs/RentingaVehicle.aspx">http://www.dgs.ca.gov/travel/Programs/RentingaVehicle.aspx</a></p> <p><b>Short-term rental rates (less than 30 days)</b> Effective: <b>March 1, 2016</b> Base rate \$33.00 for compact and intermediate (except in the state of New York) MCR \$50.00 (all California airports)</p> <p><b>Long-term contract rentals (30 days or more)</b> Effective: <b>March 1, 2016</b> Base rate \$18.34 for compact and intermediate Monthly rate \$550.00</p> <p>The “base rate” is the amount the contractor can charge for vehicle rental, not including transactional taxes, fees and surcharges. The MCR is the maximum daily rate a contractor can charge per VCT rented at any California airport. It is comprised of the daily base rate plus fees as applicable</p>

<b>Base and Maximum Cap Rates (Cont.)</b>	<p>to a specific airport, up to the maximum rate. Sales tax and refueling charges are not included in the rate.</p>
<b>Short-term Rentals</b>	<p>Short-term rentals must be booked through CalTravelStore (the state's contracted travel agency) or Concur (the online booking tool).</p> <p>The CCR services contract provides for express service defined as:</p> <p style="padding-left: 40px;">Completed rental agreement and key may be in vehicle or delivered to renter by an attendant. Driver's license checks can be done at the gate, at the express service counter where available, by a roving employee of the contractor or in any manner consistent with industry/government laws, rules and regulations.</p> <p>Express service is available at the top 14 California airports and three high-volume, off-airport locations. A list of express service locations and all participating locations can be found at:  <a href="http://www.dgs.ca.gov/travel/Programs/RentingaVehicle.aspx">http://www.dgs.ca.gov/travel/Programs/RentingaVehicle.aspx</a></p> <p>Additional contract benefits include:</p> <ul style="list-style-type: none"> <li>• No one-way drop charges.</li> <li>• No late, no-show, energy recouping or cancellation charges.</li> <li>• Unlimited mileage if the vehicle is returned to the renting location or other drop point authorized by the contractor at the time of pickup.</li> <li>• Rates are not subject to blackout dates or minimum rental period.</li> </ul>
<b>Long-term Rentals</b>	<p>State departments wanting access to the long-term rates pursuant to the CCR services contract will need an approval form that has been signed by the Office of Fleet and Asset Management (OFAM) chief or delegate prior to fulfilling a new long-term vehicle reservation. In addition, long-term needs should be covered in your department's annual Fleet Acquisition Plan or addendum process. See <a href="#">SAM - Transportation Services, Section 4120</a>.</p> <p>Beginning in Fiscal Year 2012-13, state departments shall submit an electronic Fleet Acquisition Plan (FAP) to OFAM each fiscal year for all new and/or existing asset replacement needs that have not been previously approved by OFAM. The plan should include any long-term rentals or leases of fleet assets.</p> <p>SAM Section 4120.4: OFAM will accept addendums to an approved FAP from a department should fleet needs change during the course of the fiscal year due to extraordinary circumstances.</p> <p>SAM Section 4120.5: Vehicles rented or leased for over 30 consecutive calendar days or more than four consecutive work weeks (excluding weekends and holidays) are required to be approved through the department's FAP prior to renting or leasing the vehicle. Continually re-renting fleet assets week to week or with a short break after 30 days without seeking OFAM approval is prohibited.</p> <p>An electronic copy of the FAP documents can be found on the DGS website located at: <a href="http://www.dgs.ca.gov/ofam/Programs/FARS/VehicleAcq.aspx">http://www.dgs.ca.gov/ofam/Programs/FARS/VehicleAcq.aspx</a></p>

<b>Alternative Fuel Vehicles</b>	Alternative fuel vehicles such as Hybrid Electric vehicles (HEVs), Plug-in Hybrid Electric Vehicles (PHEVs), and Zero-Emission Vehicles (ZEVs) are available in limited quantities and locations throughout the state. Vehicles, when available, may be booked through CalTravelStore or Concur (the online booking tool).
<b>Emergency Vehicles</b>	Reservations for emergency vehicles by recognized public agencies as ordered in a state of California governor-declared "Proclamation of a State of Emergency" shall be made directly with the contractor.
<b>User Requirements</b>	<p>For all vehicle rentals, employees are required to provide a current driver license and a second form of identification to ensure a smooth delivery of service when renting a vehicle. Acceptable second forms of identification can be an employer-issued identification badge, a business card, a copy of a travel itinerary booked through CalTravelStore or Concur (the online booking tool), or an authorization letter on department letterhead.</p> <p>Excluding alternative fuel vehicles, employees shall return a vehicle with the same level of fuel it had when it was picked up.</p>
<b>Exceptions</b>	<p>The following exceptions require state departments to submit an approval form, signed by the employee's supervisor, to the State Controller's Office (SCO):</p> <ul style="list-style-type: none"> <li>• Renting a vehicle larger than the intermediate size.</li> <li>• Renting a vehicle from a non-contracted vendor.</li> <li>• Needing physical or medical accommodations.</li> <li>• Refueling charges incurred at rental branches.</li> </ul> <p>The SCO approval form should be attached to the invoice associated with the justification. State departments are no longer required to receive approval from the DGS Statewide Travel Program. The Short-term Vehicle Justification Form (SCO approval form) is available on the <a href="http://www.dgs.ca.gov/travel">www.dgs.ca.gov/travel</a> website under "Car Rentals".</p>
<b>Additional Contract Information</b>	<p><u>Insurance:</u> The contract includes \$300,000 in insurance coverage. State employees are still required to notify the DGS Office of Risk and Insurance Management (ORIM) at (916) 376-5300, if or when an accident in a rental car occurs.</p> <p><u>Billing and Payment:</u> At the completion of each rental, the contractor will provide an itemized receipt of services that will contain all charges for the vehicle.</p> <p>Each state and optional user will be required to utilize his or her contracted travel payment system Car Rental Business Travel Account (CRBTA) for payment.</p> <p>Each state and optional user is responsible for reviewing monthly billing reports, but the DGS Statewide Travel Program will also periodically analyze billing reports to ensure accuracy of the contractor's charges.</p>

<b>Commercial Car Rental Contact</b>	EAN Services, LLC Lisa Holmes, Account Manager (916) 787-4733 <a href="mailto:lisa.m.holmes@ehi.com">lisa.m.holmes@ehi.com</a>
<b>DGS Statewide Travel Program Contract Administrator</b>	DGS Statewide Travel Program Georgia Kattenhorn, Travel Program Specialist (916) 376-3990 <a href="mailto:georgia.kattenhorn@dgs.ca.gov">georgia.kattenhorn@dgs.ca.gov</a>
<b>Attachments</b>	Short-term Rental Rate Sheet Long-term Rental Rate Sheet

**STATE OF CALIFORNIA  
SHORT-TERM RENTAL COST TABLE  
EFFECTIVE MARCH, 1, 2016**

<b>VEHICLE CLASS TYPE:</b>	<b>DAILY</b>	<b>WEEKLY</b>	<b>MAXIMUM CAP RATE DAILY</b>
<b>Compact</b>	\$33.00	\$132.00	\$50.00
<b>Mid-Size/Intermediate</b>	\$33.00	\$132.00	\$50.00
<b>Full-Size</b>	\$35.00	\$140.00	\$53.00
<b>Mini Van</b>	\$56.00	\$224.00	\$78.00
<b>Four Wheel Drive (4WD)/Sport Utility Vehicle</b>	\$56.00	\$224.00	\$78.00
<b>Pick Up Truck</b>	\$70.00	\$280.00	\$94.00
<b>Hybrid Electric Vehicle</b>	\$42.00	\$168.00	\$62.00
<b>Plug-In Hybrid Electric Vehicle / Zero Emission Vehicle</b>	\$42.00	\$168.00	\$62.00

**Note:** The State of New York is exempt from the Base Rate listed above. Such rates are subject to open market rates quoted at time of actual car rental.

**STATE OF CALIFORNIA  
LONG-TERM RENTAL COST TABLE  
EFFECTIVE MARCH, 1, 2016**

<b>VEHICLE CLASS TYPE (VCT):</b>	<b>DAILY</b>	<b>WEEKLY</b>	<b>MONTHLY</b>
<b>Compact</b>	\$18.34	\$128.38	\$550.00
<b>Mid-Size/Intermediate</b>	\$18.34	\$128.38	\$550.00
<b>Full-Size</b>	\$20.00	\$140.00	\$600.00
<b>Mini Van</b>	\$31.67	\$221.69	\$950.00
<b>Four Wheel Drive (4WD)/Sport Utility Vehicle</b>	\$26.34	\$184.38	\$790.00
<b>Pick Up Truck</b>	\$26.34	\$184.38	\$790.00
<b>Hybrid Electric Vehicle</b>	\$24.17	\$169.19	\$725.00
<b>Plug-In Hybrid Electric Vehicle / Zero Emission Vehicle</b>	\$24.17	\$169.19	\$725.00

**Note:** The State of New York is exempt from the Base Rate listed above. Such rates are subject to open market rates quoted at time of actual car rental.



**Meeting Date:** 4/14/2016

**Report Type:** Consent

**Report ID:** 2016-00357

**Title: Cooperative Purchase Agreement: Backhoe Loaders**

**Location:** Citywide

**Recommendation:** Pass a Motion 1) approving the use of the Houston-Galveston Area Council (HGAC) cooperative purchase agreement with Pape Machinery, Inc. (Contract No. EM06-15) for the purchase of two replacement backhoe loaders in an amount not to exceed \$226,836; and 2) authorizing the City Manager or the City Manager's designee to execute the purchase specified above.

**Contact:** Iseña Garcia, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

**Presenter:** None

**Department:** Public Works Department

**Division:** Fleet Management

**Dept ID:** 15003211

**Attachments:**

1-Description/Analysis

2-Cooperative Agreement

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**City Attorney Review**

Approved as to Form

Gary Lindsey

4/5/2016 11:16:35 AM

**Approvals/Acknowledgements**

Department Director or Designee: Jerry Way - 3/22/2016 2:21:39 PM

**Description/Analysis**

**Issue Detail:** The Department of Public Works (DPW), Fleet Management Division, has a customer request to purchase two replacement backhoe loaders for the Department of Utilities (DOU), Operations and Maintenance Division.

**Policy Considerations:** The recommendations in this report are in accordance with City Code Chapter 3.56 regarding the purchase of supplies.

**Economic Impacts:** Not applicable

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** No environmental review is necessary because the recommendations in this report involve the purchase of equipment and are not considered to be a project in accordance with Section 15378(b)(2) of the CEQA Guidelines.

**Sustainability:** The recommended purchase is consistent with the Fleet Sustainability Policy adopted by City Council on February 16, 2010 (Resolution No. 2010-083).

**Commission/Committee Action:** None

**Rationale for Recommendation:** After reviewing the available purchase options, Fleet Management has determined that using the cooperative purchase agreement with HGAC and Pape Machinery, Inc. represents the most advantageous purchasing strategy. The contract was competitively bid, and HGAC receives greater discounts from the manufacturer due to a higher purchase volume than the City would receive if issuing its own bid.

In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement approach increases pricing competitiveness and lowers operating costs through volume buying. When comparing the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract. It is often more cost-effective to eliminate the cost and time spent on these administrative processes and purchase items and services through a cooperative purchasing program.

The City has used both regional and national cooperative purchase agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

**Financial Considerations:** The recommended purchase of two replacement backhoe loaders in an amount not to exceed \$226,836 will be made from the DPW FY2015/16 operating budget (Fleet Fund, Fund 6501) and charged to DOU's multi-year operating projects (MYOP) for replacement vehicles and equipment. Sufficient funds are available in each of these budgets to make the recommended purchase. Details of the purchase and funding are provided in the following table.

Customer	Model No.	MYOP	Fund Name	Fund No.	Replacement Unit	Unit Cost
Wastewater Maintenance	310SL	I06013141	Wastewater	6006	9892	\$104,985
Storm Drainage	310SL HL	I06013143	Storm Drainage	6011	9509	\$121,851
						<b>\$226,836</b>

**Local Business Enterprise (LBE):** Pape Machinery is not an LBE. The minimum LBE participation requirement is waived for the City's use of cooperative purchase agreements that have been competitively bid, evaluated, and awarded by other governmental agencies that may or may not have similar LBE programs.

A CONTRACT BETWEEN  
HOUSTON-GALVESTON AREA COUNCIL  
Houston, Texas  
AND  
PAPE' MACHINERY, INC.  
Eugene, Oregon

This Contract is made and entered into by the **Houston-Galveston Area Council of Governments**, hereinafter referred to as **H-GAC**, having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, AND, **Pape' Machinery, Inc.**, hereinafter referred to as the **CONTRACTOR**, having its principal place of business at 355 Goodpasture Island Road, number 300, Eugene, Oregon 97401.

**ARTICLE 1:****SCOPE OF SERVICES**

The parties have entered into a **Earth Moving & Construction Equipment** Contract to become effective as of June 1, 2015, and to continue through May 31, 2017 (the "Contract"), subject to extension upon mutual agreement of the **CONTRACTOR** and **H-GAC**. **H-GAC** enters into the Contract as Agent for participating governmental agencies, each hereinafter referred to as **END USER**, for the purchase of **Earth Moving & Construction Equipment** offered by the **CONTRACTOR**. The **CONTRACTOR** agrees to sell **Earth Moving & Construction Equipment** through the **H-GAC** Contract to **END USERS**.

**ARTICLE 2:****THE COMPLETE AGREEMENT**

The Contract shall consist of the documents identified below in order of precedence:

1. The text of this Contract form, including but not limited to, Attachment A
2. General Terms and Conditions
3. Bid Specifications No:EM06-15, including any relevant suffixes
4. **CONTRACTOR's** Response to Bid No:EM06-15, including but not limited to, prices and options offered

All of which are either attached hereto or incorporated by reference and hereby made a part of this Contract, and shall constitute the complete agreement between the parties hereto. This Contract supersedes any and all oral or written agreements between the parties relating to matters herein. Except as otherwise provided herein, this Contract cannot be modified without the written consent of both parties.

**ARTICLE 3:****LEGAL AUTHORITY**

**CONTRACTOR** and **H-GAC** warrant and represent to each other that they have adequate legal counsel and authority to enter into this Contract. The governing bodies, where applicable, have authorized the signatory officials to enter into this Contract and bind the parties to the terms of this Contract and any subsequent amendments thereto.

**ARTICLE 4:****APPLICABLE LAWS**

The parties agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, directives, issuances, ordinances, and laws in effect or promulgated during the term of this Contract.

**ARTICLE 5:****INDEPENDENT CONTRACTOR**

The execution of this Contract and the rendering of services prescribed by this Contract do not change the independent status of **H-GAC** or **CONTRACTOR**. No provision of this Contract or act of **H-GAC** in performance of this Contract shall be construed as making **CONTRACTOR** the agent, servant or employee of **H-GAC**, the State of Texas or the United States Government. Employees of **CONTRACTOR** are subject to the exclusive control and supervision of **CONTRACTOR**. **CONTRACTOR** is solely responsible for employee payrolls and claims arising therefrom.

**ARTICLE 6:****END USER AGREEMENTS**

**H-GAC** acknowledges that the **END USER** may choose to enter into an End User Agreement with the **CONTRACTOR** through this Contract and that the term of said Agreement may exceed the term of the **H-GAC** Contract. However this acknowledgement is not to be construed as **H-GAC's** endorsement or approval of the End User Agreement terms and conditions. **CONTRACTOR** agrees not to offer, agree to or accept from **END USER** any terms or conditions that conflict with or contravene those in **CONTRACTOR's** **H-GAC** contract. Further, termination of this Contract for any reason shall not result in the termination of the underlying End User Agreements entered into between **CONTRACTOR** and any **END USER** which shall, in each instance, continue pursuant to their stated terms and duration. The only effect of termination of this Contract is that **CONTRACTOR** will no longer be able to enter into any new End User Agreements with **END USERS** pursuant to this Contract. Applicable **H-GAC** order processing charges will be due and payable to **H-GAC** on any End User Agreements surviving termination of this Contract between **H-GAC** and **CONTRACTOR**.

**ARTICLE 7:****SUBCONTRACTS & ASSIGNMENTS**

**CONTRACTOR** agrees not to subcontract, assign, transfer, convey, sublet or otherwise dispose of this Contract or any right, title, obligation or interest it may have therein to any third party without prior written notice to **H-GAC**. **H-GAC** reserves the right to accept or reject any such change. **CONTRACTOR** shall continue to remain responsible for all performance under this Contract regardless of any subcontract or assignment. **H-GAC** shall be liable solely to **CONTRACTOR** and not to any of its Subcontractors or Assignees.

**ARTICLE 8:****EXAMINATION AND RETENTION OF CONTRACTOR'S RECORDS**

**CONTRACTOR** shall maintain during the course of its work, complete and accurate records of items that are chargeable to **END USER** under this Contract. **H-GAC**, through its staff or its designated public accounting firm, the State of Texas, or the United States Government shall have the right at any reasonable time to inspect copy and audit those records on or off the premises of **CONTRACTOR**. Failure to provide access to records may be cause for termination of this Contract. **CONTRACTOR** shall maintain all records pertinent to this Contract for a period of not less than five (5) calendar years from the date of acceptance of the final contract closeout and until any outstanding litigation, audit or claim has been resolved. The right of access to records is not limited to the required retention period, but shall last as long as the records are retained. **CONTRACTOR** further agrees to include in all subcontracts under this Contract, a provision to the effect that the subcontractor agrees that **H-GAC'S** duly authorized representatives, shall, until the expiration of five (5) calendar years after final payment under the subcontract or until all audit findings have been resolved, have access to, and the right to examine and copy any directly pertinent books, documents, papers, invoices and records of such subcontractor involving any transaction relating to the subcontract.

**ARTICLE 9:****REPORTING REQUIREMENTS**

**CONTRACTOR** agrees to submit reports or other documentation in accordance with the General Terms and Conditions of the Bid Specifications. If **CONTRACTOR** fails to submit to **H-GAC** in a timely and satisfactory manner any such report or documentation, or otherwise fails to satisfactorily render performance hereunder, such failure may be considered cause for termination of this Contract.

**ARTICLE 10:****MOST FAVORED CUSTOMER CLAUSE**

If **CONTRACTOR**, at any time during this Contract, routinely enters into agreements with other governmental customers within the State of Texas, and offers the same or substantially the same products/services offered to **H-GAC** on a basis that provides prices, warranties, benefits, and or terms more favorable than those provided to **H-GAC**, **CONTRACTOR** shall notify **H-GAC** within ten (10) business days thereafter of that offering and this Contract shall be deemed to be automatically amended effective retroactively to the effective date of the most favorable contract, wherein **CONTRACTOR** shall provide the same prices, warranties, benefits, or terms to **H-GAC** and its **END USER**. **H-GAC** shall have the right and option at any time to decline to accept any such change, in which case the amendment shall be deemed null and void. If **CONTRACTOR** is of the opinion that any apparently more favorable price, warranty, benefit, or term charged and/or offered a customer during the term of this Contract is not in fact most favored treatment, **CONTRACTOR** shall within ten (10) business days notify **H-GAC** in writing, setting forth the detailed reasons **CONTRACTOR** believes aforesaid offer which has been deemed to be a most favored treatment, is not in fact most favored treatment. **H-GAC**, after due consideration of such written explanation, may decline to accept such explanation and thereupon this Contract between **H-GAC** and **CONTRACTOR** shall be automatically amended, effective retroactively, to the effective date of the most favored agreement, to provide the same prices, warranties, benefits, or terms to **H-GAC**.

The Parties accept the following definition of routine: A prescribed, detailed course of action to be followed regularly; a standard procedure.

*EXCEPTION: This clause shall not be applicable to prices and price adjustments offered by a bidder, proposer or contractor, which are not within bidder's/ proposer's control [example; a manufacturer's bid concession], or to any prices offered to the Federal Government and its agencies.*

**ARTICLE 11:****SEVERABILITY**

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

**ARTICLE 12:****DISPUTES**

Any and all disputes concerning questions of fact or of law arising under this Contract, which are not disposed of by agreement, shall be decided by the Executive Director of **H-GAC** or his designee, who shall reduce his decision to writing and provide notice thereof to **CONTRACTOR**. The decision of the Executive Director or his designee shall be final and conclusive unless, within thirty (30) days from the date of receipt of such notice, **CONTRACTOR** requests a rehearing from the Executive Director of **H-GAC**. In connection with any rehearing under this Article, **CONTRACTOR** shall be afforded an opportunity to be heard and offer evidence in support of its position. The decision of the Executive Director after any such rehearing shall be final and conclusive. **CONTRACTOR** may, if it elects to do so, appeal the final and conclusive decision of the Executive Director to a court of competent jurisdiction. Pending final decision of a dispute hereunder, **CONTRACTOR** shall proceed diligently with the performance of this Contract and in accordance with **H-GAC'S** final decision.

**ARTICLE 13:****LIMITATION OF CONTRACTOR'S LIABILITY**

Except as specified in any separate writing between the CONTRACTOR and an END USER, CONTRACTOR's total liability under this Contract, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, but excluding its obligation to indemnify H-GAC described in Article 14, is limited to the price of the particular products/services sold hereunder, and CONTRACTOR agrees either to refund the purchase price or to repair or replace product(s) that are not as warranted. In no event will CONTRACTOR be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. CONTRACTOR understands and agrees that it shall be liable to repay and shall repay upon demand to END USER any amounts determined by H-GAC, its independent auditors, or any agency of State or Federal government to have been paid in violation of the terms of this Contract.

**ARTICLE 14:****LIMIT OF H-GAC'S LIABILITY AND INDEMNIFICATION OF H-GAC**

H-GAC's liability under this Contract, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, is limited to its order processing charge. In no event will H-GAC be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. Contractor agrees, to the extent permitted by law, to defend and hold harmless H-GAC, its board members, officers, agents, officials, employees, and indemnities from any and all claims, costs, expenses (including reasonable attorney fees), actions, causes of action, judgments, and liens arising as a result of CONTRACTOR's negligent act or omission under this Contract. CONTRACTOR shall notify H-GAC of the threat of lawsuit or of any actual suit filed against CONTRACTOR relating to this Contract.

**ARTICLE 15:****TERMINATION FOR CAUSE**

H-GAC may terminate this Contract for cause based upon the failure of CONTRACTOR to comply with the terms and/or conditions of the Contract; provided that H-GAC shall give CONTRACTOR written notice specifying CONTRACTOR'S failure. If within thirty (30) days after receipt of such notice, CONTRACTOR shall not have either corrected such failure, or thereafter proceeded diligently to complete such correction, then H-GAC may, at its option, place CONTRACTOR in default and the Contract shall terminate on the date specified in such notice. CONTRACTOR shall pay to H-GAC any order processing charges due from CONTRACTOR on that portion of the Contract actually performed by CONTRACTOR and for which compensation was received by CONTRACTOR.

**ARTICLE 16:****TERMINATION FOR CONVENIENCE**

Either H-GAC or CONTRACTOR may cancel or terminate this Contract at any time by giving thirty (30) days written notice to the other. CONTRACTOR may be entitled to payment from END USER for services actually performed; to the extent said services are satisfactory to END USER. CONTRACTOR shall pay to H-GAC any order processing charges due from CONTRACTOR on that portion of the Contract actually performed by CONTRACTOR and for which compensation is received by CONTRACTOR.

**ARTICLE 17:****CIVIL AND CRIMINAL PROVISIONS AND SANCTIONS**

CONTRACTOR agrees that it will perform under this Contract in conformance with safeguards against fraud and abuse as set forth by H-GAC, the State of Texas and the acts and regulations of any funding entity. CONTRACTOR agrees to notify H-GAC of any suspected fraud, abuse or other criminal activity related to this Contract through filing of a written report promptly after it becomes aware of such activity.

**ARTICLE 18:****GOVERNING LAW & VENUE**

This Contract shall be governed by the laws of the State of Texas. Venue and jurisdiction of any suit or cause of action arising under or in connection with this Contract shall lie exclusively in Harris County, Texas. Disputes between END USER and CONTRACTOR are to be resolved in accord with the law and venue rules of the state of purchase. CONTRACTOR shall immediately notify H-GAC of such disputes.

**ARTICLE 19:****PAYMENT OF H-GAC ORDER PROCESSING CHARGE**

CONTRACTOR agrees to sell its products to END USERS based on the pricing and other terms of this Contract, including, but not limited to, the payment of the applicable H-GAC order processing charge. On notification from an END USER that an order has been placed with CONTRACTOR, H-GAC will invoice CONTRACTOR for the applicable order processing charge. Upon delivery of any product/service by CONTRACTOR and acceptance by END USER, CONTRACTOR shall, within thirty (30) calendar days or ten (10) business days after receipt of payment, whichever is less, pay H-GAC the full amount of the applicable order processing charge, whether or not CONTRACTOR has received an invoice from H-GAC. For sales made by CONTRACTOR based on this contract, including sales to entities without Interlocal Contracts, CONTRACTOR shall pay the applicable order processing charges to H-GAC. Further, CONTRACTOR agrees to encourage entities who are not members of H-GAC's Cooperative Purchasing Program to execute an H-GAC Interlocal Contract. H-GAC reserves the right to take appropriate actions including, but not limited to, contract termination if CONTRACTOR fails to promptly remit H-GAC's order processing charge. In no event shall H-GAC have any liability to CONTRACTOR for any goods or services an END USER procures from CONTRACTOR.

**ARTICLE 20:****LIQUIDATED DAMAGES**

Any liquidated damages terms will be determined between CONTRACTOR and END USER at the time END USER's purchase order is placed.

**ARTICLE 21:****PERFORMANCE AND PAYMENT BOND FOR INDIVIDUAL ORDERS**

H-GAC's contractual requirements DO NOT include a Performance & Payment Bond (PPB), and offered pricing should reflect this cost saving. However, CONTRACTOR must be prepared to offer a PPB to cover any specific order if so requested by END USER. CONTRACTOR shall quote a price to END USER for provision of any requested PPB, and agrees to furnish the PPB within ten business (10) days of receipt of END USER's purchase order.

**ARTICLE 22:****CHANGE OF CONTRACTOR STATUS**

CONTRACTOR shall immediately notify H-GAC, in writing, of ANY change in ownership, control, dealership/franchisee status, Motor Vehicle license status, or name, and shall also advise whether or not this Contract shall be affected in any way by such change. H-GAC shall have the right to determine whether or not such change is acceptable, and to determine what action shall be warranted, up to and including cancellation of Contract.

**ARTICLE 23:****LICENSING REQUIRED BY TEXAS MOTOR VEHICLE BOARD /IF APPLICABLE/**

CONTRACTOR will, for the duration of this Contract, maintain current licenses that are required by the Texas Motor Vehicle Commission Code. If at any time during this Contract period, any CONTRACTOR'S license is not renewed, or is denied or revoked, CONTRACTOR shall be deemed to be in default of this Contract unless the Motor Vehicle Board issues a stay or waiver. Contractor shall promptly provide copies of all current applicable Texas Motor Vehicle Board documentation to H-GAC upon request.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed by their duly authorized representatives.

Signed for Houston-Galveston  
Area Council, Houston, Texas:

  
Jack Steele, Executive Director

Attest for Houston-Galveston  
Area Council, Houston, Texas:

  
Deidre Vick, Director of Public Services

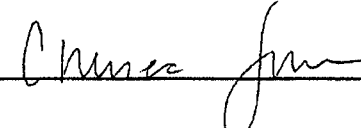
Date: 4/29, 20 15

Signed for Pape' Machinery, Inc.  
Eugene, Oregon:

  
Printed Name & Title: Lance Kling Inventory/Procurement Manager

Date: April 23rd, 20 15

Attest for Pape' Machinery, Inc.  
Eugene, Oregon:

  
Printed Name & Title: Chelsea Jones Corporate Sales Coordinator

Date: April 23rd, 20 15

Attachment A  
Pape' Machinery, Inc.  
Earth Moving & Construction Equipment  
Contract No. EM06-15

H-GAC Product Code	Item Description	Percentage Discount off Retail/List Price
23A	Deere Wheeled Excavator Pricing Catalog Price Sheet Effective 2/12/2015	28%
23B	Deere (Small) Crawler Excavator Pricing Catalog Price Sheet Effective 2/12/2015	13%
23C	Deere (Medium) Crawler Excavator Pricing Catalog Price Sheet Effective 2/12/2015	20%
23D	Deere (Large) Crawler Excavator Pricing Catalog Price Sheet Effective 2/12/2015	13%
23E	Deere (Small) Crawler Dozers Pricing Catalog Price Sheet Effective 2/12/2015	8%
23F	Deere (Medium) Crawler Dozer Pricing Catalog Price Sheet Effective 2/12/2015	11%
23G	Deere (Large) Crawler Dozer Pricing Catalog Price Sheet Effective 2/12/2015	10%
23H	Deere High Speed Dozer Pricing Catalog Price Sheet Effective 2/12/2015	10%
23I	Deere Waste Handler Dozer Pricing Catalog Price Sheet Effective 2/12/2015	10%
23J	Deere Motor Graders Pricing Catalog Price Sheet Effective 2/12/2015	28%
23K	Deere (Small) Wheel Loaders Pricing Catalog Price Sheet Effective 2/12/2015	16%
23L	Deere (Medium) Wheel Loaders Pricing Catalog Price Sheet Effective 2/12/2015	26%
23M	Deere (Large) Wheel Loaders Pricing Catalog Price Sheet Effective 2/12/2015	19%
23N	Deere Waste Handler Wheel Loader Pricing Catalog Price Sheet Effective 2/12/2015	2%
23O	Deere Backhoe Loaders Pricing Catalog Price Sheet Effective 2/12/2015	25%
23P	Deere Track Loader Pricing Catalog Price Sheet Effective 2/12/2015	13%
23Q	Deere Articulated Dump Truck Pricing Catalog Price Sheet Effective 2/12/2015	8%
23R	Deere Landscape Loader Pricing Catalog Price Sheet Effective 2/12/2015	16%





**CONTRACT PRICING WORKSHEET**  
For Catalog & Price Sheet Type Purchases

**Contract No.:**

**EM06-15**

**Date Prepared:**

3/10/2016

**This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.**

<b>Buying Agency:</b>	City of Sacramento ( pg. 1 )	<b>Contractor:</b>	Pape Machinery
<b>Contact Person:</b>	Ernesto Martinez	<b>Prepared By:</b>	Mike Pilat
<b>Phone:</b>	916-808-8465	<b>Phone:</b>	916-997-8626
<b>Fax:</b>	916-399-9263	<b>Fax:</b>	916-922-4532
<b>Email:</b>	emartinez@cityofsacramento.org	<b>Email:</b>	mpilat@papemachinery.com

<b>Catalog / Price Sheet Name:</b>	John Deere model 310SL-HL / Product Code: 230
<b>General Description of Product:</b>	Backhoe / Loader

**A. Catalog / Price Sheet Items being purchased - Itemize Below - Attach Additional Sheet If Necessary**

Quan	Description	Unit Pr	Total
1	0A80T - 310SL-HL base unit price	87093	87093
1	1065 - FT4 engine	9674	9674
1	2035 - enclosed cab with heat and A/C	9666	9666
1	5285 - pilot operated controls	1945	1945
1	6020 - extendable dipperstick	6105	6105
1	6230 - auxiliary rear hydraulics ( one and two-way flow )	3897	3897
1	7080 - 3rd-function loader valve w/ single lever	2385	2385
1	7685 - multi-purpose loader bucket	5182	5182
1	8485 - 1250# front counterweight	1283	1283
1	8685 - dual batteries with disconnect and jump post	396	396
1	9110 - ride control	1451	1451
1	driveshaft guard	312	312
<b>Total From Other Sheets, If Any:</b>			637
<b>Subtotal A:</b>			130026

**B. Unpublished Options, Accessory or Service items - Itemize Below - Attach Additional Sheet If Necessary**

(Note: Unpublished Items are any which were not submitted and priced in contractor's bid.)

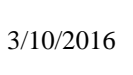
Quan	Description	Unit Pr	Total
1	Wain Roy manual bucket coupler	943	943
1	Wain Roy 36" backhoe bucket	1210	1210
1	Wain Roy 40" ditching bucket	1410	1410
1	Amulet hydraulic thumb	4145	4145
1	inbound factory freight and delivery		3235
<b>Total From Other Sheets, If Any:</b>			1645
<b>Subtotal B:</b>			12588

<b>Check:</b> Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A)	<b>For this transaction the percentage is:</b>	10%
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**C. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges**

<b>8.5% Sales Tax on delivered price of \$ 112,305.00</b>	9545.93
<b>dealer prep ( PDI )</b>	885
<b>less market share incentive discount</b>	-31194
<b>Subtotal C:</b>	-20763.07

<b>Delivery Date:</b>	<b>D. Total Purchase Price (A+B+C):</b>	121850.93
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Mr. Ernesto Martinez  
 City of Sacramento  
 5730 24th Street #1  
 Sacramento, CA 95822  
 Revised: 3-10-16

Dear Ernie,

Following our recent discussions regarding pricing on a new John Deere model 310SL-HL backhoe/loader, and per the latest revision to your specifications, I am pleased to offer the following revised HGAC price information on this model for your review and consideration. This revision includes the addition of 8.5% Sales Tax.

The following pricing is based on current HGAC contract # EM06-15

0A80T	310SL HL BACKHOE LOADER ( City of Sacramento unit # 9509 )
1065	John Deere PowerTech Plus 4.5L Engine Meets Final Tier 4 Emissions.
1700	JDLINK Machine Monitoring System ( 3 years data subscription fees paid )
2401	English Decals with English Operator and Safety Manuals
3065	Mechanical Front Wheel Drive (MFWD) with Limited Slip Differential and 5F/3R Powershift Transmission
2035	Enclosed Cab with heat and A/C
8685	Dual Maintenance Free Batteries With Disconnect and Jump Post
6020	Extendible Dipperstick
6230	Auxiliary Hydraulic with One & Two Way Flow (Hammer & Thumb/Swinger)
5285	Pilot Controls, Two Lever, with Pattern Selection
7080	Three-Function Loader Hydraulics, Single Lever
8485	1250 Lb. (567 kg) Front Counterweight
4464	Galaxy 19.5L - 24 in. 12 PR Rear & 12.5/80-18 10PR Front
7685	1.32 Cu. Yd. (1.0 Cu. M.), 92 in. Wide Multipurpose Bucket
9505	Full MFWD Driveshaft Guard
9110	Ride Control
9917	AM/FM Radio
310SLHL	36" Dig Bkt, WRXLS-WAINROY
310SLHL	40" Ditching Bkt with smooth edge, WRXLS-WAINROY
310SLHL	Quick Coupler, WainRoy XLS
310SLHL	Loader fork hooks welded to loader bucket
310SLHL	Amulet hydraulic thumb
310SLHL	Beacon

**Total Sale Price, including inbound freight and Dealer Prep;  
 Plus 8.50% Sales Tax;**

**\$ 112,305.00  
 \$ 9,545.93**

**Total delivered price with Sales Tax;**

**\$ 121,850.93**

Prices are current but subject to escalation and do not include any applicable taxes or fees. This price quotation is firm for 60 days.

Ernie, thank you for the opportunity to quote John Deere backhoe/loaders. Please do not hesitate to contact us should you have any questions or need any additional info.

Sincerely,

*Mike Pilat*

Mike Pilat – Territory Mgr., Corporate Accounts  
Pape Machinery  
2850 El Centro Rd.  
Sacramento, CA 95833 (916) 997-8626

[www.papemachinery.com](http://www.papemachinery.com)



**CONTRACT PRICING WORKSHEET**  
For Catalog & Price Sheet Type Purchases

**Contract No.:**

**EM06-15**

**Date Prepared:**

3/10/2016

**This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.**

<b>Buying Agency:</b>	City of Sacramento ( pg. 1 )	<b>Contractor:</b>	Pape Machinery
<b>Contact Person:</b>	Ernesto Martinez	<b>Prepared By:</b>	Mike Pilat
<b>Phone:</b>	916-808-8465	<b>Phone:</b>	916-997-8626
<b>Fax:</b>	916-399-9263	<b>Fax:</b>	916-922-4532
<b>Email:</b>	emartinez@cityofsacramento.org	<b>Email:</b>	mpilat@papemachinery.com

<b>Catalog / Price Sheet Name:</b>	John Deere model 310SL / Product Code: 230
<b>General Description of Product:</b>	Backhoe / Loader

**A. Catalog / Price Sheet Items being purchased - Itemize Below - Attach Additional Sheet If Necessary**

Quan	Description	Unit Pr	Total
1	0A70T - 310SL base unit price	85788	85788
1	1065 - FT4 engine	7320	7320
1	5285 - pilot operated controls	1945	1945
1	6020 - extendable dipperstick	6105	6105
1	6230 - auxiliary rear hydraulics ( one and two-way flow )	2697	2697
1	7080 - 3rd-function loader valve w/ single lever	2385	2385
1	7685 - multi-purpose loader bucket	5182	5182
1	8485 - 1250# front counterweight	1283	1283
1	8685 - dual batteries with disconnect and jump post	396	396
1	9110 - ride control	1451	1451
1	9117 - headliner	108	108
1	9118 - tilt steering wheel	409	409
<b>Total From Other Sheets, If Any:</b>			511
<b>Subtotal A:</b>			115580

**B. Unpublished Options, Accessory or Service items - Itemize Below - Attach Additional Sheet If Necessary**

(Note: Unpublished Items are any which were not submitted and priced in contractor's bid.)

Quan	Description	Unit Pr	Total
1	Wain Roy manual bucket coupler	943	943
1	Wain Roy 24" backhoe bucket	985	985
1	Beacon	705	705
1	inbound factory freight and delivery		3235
<b>Total From Other Sheets, If Any:</b>			
<b>Subtotal B:</b>			5868

<b>Check:</b> Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A)	<b>For this transaction the percentage is:</b>	5%
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**C. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges**

<b>8.5% Sales Tax on total delivered price of \$ 96,760.00</b>	8224.6
<b>dealer prep ( PDI )</b>	885
<b>less market share incentive discount</b>	-25573
<b>Subtotal C:</b>	-16463.4

<b>Delivery Date:</b>	<b>D. Total Purchase Price (A+B+C):</b>	104984.6
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**CONTRACT PRICING WORKSHEET**  
For Catalog & Price Sheet Type Purchases

**Contract No.:**

**EM06-15**

**Date Prepared:**

**3/10/2016**

**This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.**

<b>Buying Agency:</b>	City of Sacramento ( pg 2 )	<b>Contractor:</b>	Pape Machinery
<b>Contact Person:</b>	Ernesto Martinez	<b>Prepared By:</b>	Mike Pilat
<b>Phone:</b>	916-808-8465	<b>Phone:</b>	916-997-8626
<b>Fax:</b>	916-399-9263	<b>Fax:</b>	916-922-4532
<b>Email:</b>	emartinez@cityofsacramento.org	<b>Email:</b>	mpilat@papemachinery.com

<b>Catalog / Price Sheet Name:</b>	John Deere model 310SL / Product Code: 230
<b>General Description of Product:</b>	Backhoe / Loader

**A. Catalog / Price Sheet Items being purchased - Itemize Below - Attach Additional Sheet If Necessary**

Quan	Description	Unit Pr	Total
1	9140 - HD backhoe bucket cylinder	199	199
1	9505 - driveshaft guard	312	312
			0
			0
			0
<b>Total From Other Sheets, If Any:</b>			
<b>Subtotal A:</b>			511

**B. Unpublished Options, Accessory or Service items - Itemize Below - Attach Additional Sheet If Necessary**

(Note: Unpublished Items are any which were not submitted and priced in contractor's bid.)

Quan	Description	Unit Pr	Total
			0
			0
			0
			0
<b>Total From Other Sheets, If Any:</b>			
<b>Subtotal B:</b>			0
<b>Check:</b> Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A)		<b>For this transaction the percentage is:</b>	0%

**C. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges**

<b>Subtotal C:</b>	0

<b>Delivery Date:</b>	<b>D. Total Purchase Price (A+B+C):</b>	511
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Mr. Ernesto Martinez  
 City of Sacramento  
 5730 24th Street #1  
 Sacramento, CA 95822  
 Revised: 3-10-16

Dear Ernie,

Following our recent discussions regarding pricing on a new John Deere model 310SL backhoe/loader, and per the latest revision to your specifications, I am pleased to offer the following revised HGAC price information on this model for your review and consideration. This revision includes the addition of 8.5% sales tax.

The following pricing is based on current HGAC contract # EM06-15

0A70T	310SL Backhoe/Loader ( City of Sacramento unit # 9892 )
1065	John Deere PowerTech Plus 4.5L Engine Meets Final Tier 4 Emissions.
1700	JDLINK Machine Monitoring System ( 3 years data subscription fees paid )
2401	English Decals with English Operator and Safety Manuals
3065	Mechanical Front Wheel Drive (MFWD) with Limited Slip Differential and 5F/3R Powershift Transmission
2015	Canopy (ROPS/FOPS)
8685	Dual Maintenance Free Batteries With Disconnect and Jump Post
6020	Extendible Dipperstick
6230	Auxiliary Hydraulic with One & Two Way Flow (Hammer & Thumb/Swinger)
5285	Pilot Controls, Two Lever, with Pattern Selection
7080	Three-Function Loader Hydraulics, Single Lever
8485	1250 Lb. (567 kg) Front Counterweight
4464	Galaxy 19.5L - 24 in. 12 PR Rear & 12.5/80-18 10PR Front
7685	1.32 Cu. Yd. (1.0 Cu. M.), 92 in. Wide Multipurpose Bucket
9505	Full MFWD Driveshaft Guard
9110	Ride Control
9117	Headliner - Canopy
9118	Tilt Steering - Canopy
9140	Heavy-Duty Backhoe Bucket Cylinder
310SL	24" Dig Bkt, WRXLS-WAINROY
310SL	Manual Quick Coupler, WainRoy XLS
310SL	Beacon

<b>Total Sale Price, including inbound freight, delivery and Dealer Prep;</b>	<b>\$ 96,760.00</b>
<b>Plus 8.50% sales tax;</b>	<b>\$ <u>8,224.60</u></b>

<b>Total delivered price with Sales Tax;</b>	<b>\$ 104,984.60</b>
--	----------------------

Prices are current but subject to escalation and do not include any applicable taxes or fees. This price quotation is firm for 60 days.

Ernie, thank you for the opportunity to quote John Deere backhoe/loaders. Please do not hesitate to contact us should you have any questions or need any additional info.

Sincerely,

*Mike Pilat*

Mike Pilat – Territory Mgr., Corporate Accounts  
Pape Machinery  
2850 El Centro Rd.  
Sacramento, CA 95833 ( 916 ) 997-8626

[www.papemachinery.com](http://www.papemachinery.com)



**Meeting Date:** 4/14/2016

**Report Type:** Consent

**Report ID:** 2016-00329

**Title: Contract: 16th Avenue Sewer Replacement Project (PN: X14130608)**

**Location:** District 5

**Recommendation:** Pass a Motion 1) approving the contract plans and specifications for the project; and 2) awarding the contract to Caggiano General Engineering, Inc., for an amount not-to-exceed \$134,502.

**Contact:** Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Brett Grant, Supervising Engineer, (916) 808-1413; James Yorita, Project Manager, (916) 808-1911, Department of Utilities

**Presenter:** None

**Department:** Department Of Utilities

**Division:** Engineering & Water Resources

**Dept ID:** 14001311

**Attachments:**

- 1-Description/Analysis
- 2-Background
- 3-Location Map
- 4-Agreement

---

**City Attorney Review**

Approved as to Form  
Joe Robinson  
4/5/2016 12:38:02 PM

**Approvals/Acknowledgements**

Department Director or Designee: Bill Busath - 3/17/2016 12:51:37 PM

## Description/Analysis

**Issue Detail:** Staff recommends that City Council award a contract to Caggiano General Engineering, Inc. to replace approximately 600 feet of 6-inch diameter vitrified clay sewer pipe in 16<sup>th</sup> Avenue from Norton Way to 28<sup>th</sup> Street. The existing pipe has failed and replacement is necessary.

**Policy Considerations:** This action is in conformance with City Code Chapter 3.60 Articles I and III, which provide that City Council may award competitively bid contracts to the lowest responsible bidder. The proposed work is consistent with the criteria set forth in the Department of Utilities' Capital Improvement Programming Guide.

**Economic Impacts:** This project is expected to create 0.54 total jobs (0.31 direct jobs and 0.23 jobs through indirect and induced activities) and create \$83,046 in total economic output (\$52,344 of direct output and another \$30,702 of output through indirect and induced activities).

*The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.*

**Environmental Considerations:** The Community Development Department, Environmental Planning Services Division reviewed the proposed project and determined that it is exempt from California Environmental Quality Act (CEQA) review under Section 15302 of the CEQA Guidelines. The project consists of the replacement of deteriorating existing sewer pipe and other related utility systems on the same site as those replaced, that will have the same purpose and capacity as the structure replaced.

**Sustainability:** The project is consistent with the City's Sustainability Master Plan and sustainability targets as it will reduce sanitary sewer overflows. The project also improves system reliability, which will reduce energy-intensive maintenance efforts.

**Commission/Committee Action:** Not Applicable.

**Rationale for Recommendation:** The project was formally advertised for bids on February 4, 2016. On February 24, 2016, the City Clerk opened four bids. Staff recommends award of the contract to Caggiano General Engineering, Inc., the lowest responsive and responsible bidder.

The bids are summarized below:

<b>Contractor</b>	<b>Bid Amount</b>
Caggiano General Engineering, Inc.	\$134,502
Cal Sierra Construction, Inc.	\$161,410
Florez Brothers Inc. dba Florez Paving	\$163,857
CSI Engineering	\$194,870

The engineer's construction estimate was \$ 147,000.

**Financial Considerations:** The total estimated project cost including design, construction, inspection, and contingency is estimated to be \$183,000. There is sufficient funding in the Wastewater Collection Pipe Program (X14130600) to award and complete this project.

**Local Business Enterprise (LBE):** Caggiano General Engineering, Inc. is not an LBE, but has partnered with two LBE's (HD Supply Waterworks Ltd., GR Trucking/Crete Crush) for this project to meet the minimum LBE participation requirement.

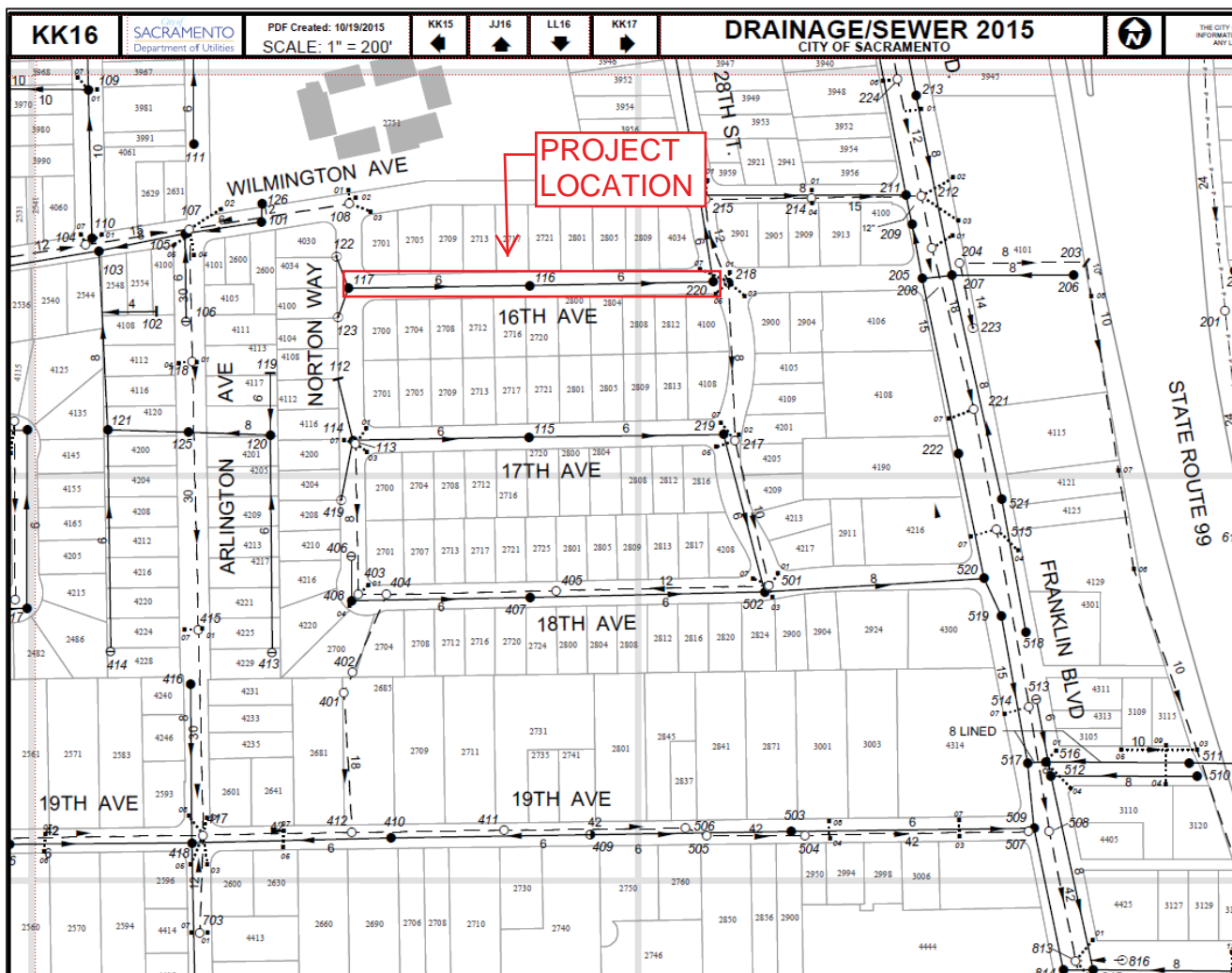
## **Background**

This project consists of replacing 600 feet of 6-inch diameter sewer main, connecting manholes and substandard sewer services.

The existing 6-inch diameter pipeline to be replaced by this project provides sewer service to a residential area. This pipeline is approximately 65 years old. Closed circuit television inspections revealed deteriorated pipe, offset pipe joints and broken segments. Consistent with the criteria set forth in the Department of Utilities' Capital Improvement Programming Guide, this pipeline has failed and replacement is necessary.

## LOCATION MAP

### **16<sup>th</sup> Avenue Sewer Replacement Project Norton Way to 28<sup>th</sup> Street (PN:X14130608)**



ENGINEERING SERVICES DIVISION

CONTRACT SPECIFICATIONS  
FOR

16TH AVENUE SEWER REPLACEMENT, NORTON WAY TO 28TH STREET

PN: X14130608

B16141321023

Engineer's Estimate: 199,000.00

For Pre-Bid Information Call:

James Yorita  
Associate Engineer  
(916) 808-1911

Separate Plans

Bid to be received before 2:00 PM  
**February 24, 2016**  
City Hall, Office of the City Clerk  
915 I Street, 5<sup>th</sup> Floor, Public Counter  
Sacramento, CA 95814

**LBE PROGRAM PARTICIPATION**

For information on meeting the City of Sacramento's Local Business Enterprise (LBE) project goals, please contact Procurement Services at (916) 808-6240, or visit the City of Sacramento's small business web site at: <http://portal.cityofsacramento.org/Finance/Procurement/Bid-Information#bidding-options>

# 16TH AVENUE SEWER REPLACEMENT, NORTON WAY TO 28TH STREET

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## LBE INFORMATION

The City of Sacramento's Local Business Development program establishes an annual local business enterprise (LBE) participation goal for City contracts, and authorizes City departments to require minimum LBE participation levels in individual contracts. Under City Code section 3.60.270, all bidding contractors must meet or exceed the minimum LBE participation requirement specified in the contract's bid specifications to qualify as a responsive bidder.

For information on meeting the City of Sacramento's Local Business Enterprise (LBE) project goals, please contact Procurement Services at (916) 808-6240, or visit the City of Sacramento's small business web site at: <http://portal.cityofsacramento.org/Finance/Procurement/Bid-Information#bidding-options>



## NOTICE TO CONTRACTORS

### CITY OF SACRAMENTO

Sealed Proposals will be received by the City Clerk of the City of Sacramento at the Office of the City Clerk, City Hall, located at 915 I Street, 5<sup>th</sup> Floor, Public Counter, up to the hour of 2:00 p.m. on **February 24, 2016** and opened at and read after 2:00 p.m. on **February 24, 2016**, or as soon thereafter as business allows, in the Hearing Room, 2<sup>nd</sup> Floor Room, in Historic City Hall, for construction of:

#### **16TH AVENUE SEWER REPLACEMENT, NORTON WAY TO 28TH STREET (PN: X14130608) (B16141321023)**

as set forth in the Contract Documents.

Proposals received and work performed thereunder shall comply with the requirements of Chapter 3.60 of the Sacramento City Code. Each Bid Proposal shall be accompanied by bid security of at least 10% of the sum the Bid Proposal. The City reserves the right to reject proposals or to waive any error or omission in any Bid Proposal received. Signed proposals shall be submitted on the printed forms contained herein and enclosed in an envelope marked:

#### **SEALED PROPOSAL FOR 16TH AVENUE SEWER REPLACEMENT, NORTON WAY TO 28TH STREET (PN: X14130608) (B16141321023)**

**You can view and download the plans and Contract Documents from:**

**PLANET BIDS**  
**<http://www.planetbids.com/portal/portal.cfm?CompanyID=15300#>**

The contractor and all subcontractors shall comply with the rates of wages currently established by the Director of Industrial Relations under provisions of Sections 1773 of the Labor Code of the State of California, a copy of which is on file in the office of the City Clerk and available to any interested party on request. In accordance with Sacramento City Code Section 3.60.180 and Section 1771.5 of the California Labor Code, the payment of the general prevailing rate of per diem wages or the general prevailing rate of per diem wages for holiday and overtime is not required for any construction project of \$25,000 or less, or an alteration, demolition, repair, and maintenance project of \$15,000 or less. The City of Sacramento has an approved Labor Compliance Program. **The City uses an electronic system for the submission of Labor Compliance Reports, which became effective May 1, 2007.** The contractor and every lower-tier subcontractor shall submit certified payrolls and labor compliance documentation electronically at the discretion of and in the manner specified by the City of Sacramento.

Electronic submittal is via a web-based system, accessed on the World Wide Web by a web browser. Each contractor and subcontractor is given a Log On identification and password to access the City of Sacramento's reporting system.

Use of the system may entail additional data entry of weekly payroll information including employee identification, labor classification, total hours worked and hours worked on this project, wage and benefit rates paid, etc.. The contractor's payroll and accounting software might be capable of generating a 'comma delimited file' that will interface with the software.

## **Department of Industrial Relations Registration and Reporting Requirements (SB 854)**

Labor Code Section 1725.5 (enacted by SB 854) requires all contractors bidding on this contract, all subcontractors listed in a bid for this contract, and any contractor or subcontractor performing any work under this contract, to be currently registered with the California Department of Industrial Relations (DIR), as specified in Labor Code Section 1725.5. Labor Code Section 1771.1 (enacted by SB 854) provides that a contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal (subject to the requirements of Section 4104 of the Public Contract Code), or engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. Every bidding contractor shall list the contractor's current DIR registration number, and the current DIR registration number of all listed subcontractors, on the Subcontractor and Local Business Enterprise (LBE) Participation Verification Form included in the contractor's bid.

Pursuant to Labor Code Section 1771.1(b): (1) any bid received from a contractor that is not currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5 **shall be rejected as non-responsive**; and (2) any bid listing one or more subcontractors on the bidder's Subcontractor and Local Business Enterprise (LBE) Participation Verification Form that are not currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5, **shall be rejected as non-responsive**, unless the listing was an inadvertent error and any of the conditions specified in Labor Code Section 1771.1(c) apply.

This contract also is subject to compliance monitoring and enforcement by the DIR. For all contracts awarded on or after April 1, 2015, California Labor Code Section 1771.4 (enacted by SB 854) requires the contractor and all subcontractors to furnish electronic payroll records directly to the Labor Commissioner (in addition to City staff via the City's electronic system).

A Fact Sheet summarizing the provisions of SB 854 is attached. This is provided solely for informational purposes, and does not in any way affect the contractor's and subcontractors' obligation to comply in all respects with the provisions of SB 854, including the provisions referenced above, as well as all other applicable laws and regulations.

The contractor shall disseminate these provisions to every lower-tier subcontractor and vendor required to provide labor compliance documentation.

All questions regarding the City's Labor Compliance Program should be directed to the Department's contracts staff or the Labor Compliance Officer at (916) 808-4011.

Pursuant to Sacramento City Code Section 3.60.190, all contractors and subcontractors shall comply with Section 1777.5 et seq., of the California Labor Code governing the employment of apprentices. Pursuant to Sacramento City Code Section 3.60.250 and Public Contract Code Section 22300, any contract awarded pursuant to this invitation to bid shall contain a provision permitting the substitution of securities for monies withheld to ensure performance under the contract, in accordance with the requirements and form specified by the City.

Bid protests must be filled and maintained in accordance with the provisions of Sections 3.60.460 through 3.60.560 of the Sacramento City Code. Bid protests that do not comply with Sections 3.60.460 through 3.60.560 of the Sacramento City Code shall be invalid and shall not be considered. A bid protest fee of \$750.00 is required at the time of filing. The term "bid protest" includes any bid protest that (1) claims that one or more bidders on this contract should be disqualified or rejected for any reason, (2) contests a City staff recommendation to award this contract to a particular bidder, or (3) contests a City staff recommendation to disqualify or reject one or more bidders on this contract. A copy of Sections 3.60.460 through 3.60.560 of the Sacramento City Code may be obtained from the Project Manager, or from the City Clerk, located at 915 I Street, 5<sup>th</sup> Floor, Sacramento, CA 95814.

The Project Manager's contact information is:

James Yorita, Department of Utilities, Engineering & Water Resource Division  
1395 35<sup>th</sup> Avenue, Sacramento, CA 95822

Phone: (916) 808-1911 / Fax: (916) 808-1497/Email: [JYorita@cityofsacramento.org](mailto:JYorita@cityofsacramento.org)

THE FOLLOWING DOCUMENTS  
ARE TO BE COMPLETED AND  
SUBMITTED WITH THE BID PACKAGE

Contractor's Name: Caggiano General Engineering, Inc.  
(Please print)

CITY OF SACRAMENTO

SEALED PROPOSAL

(MUST BE SIGNED BY BIDDER)

The Sealed Proposal will be received not later than **February 24, 2016**, at the Office of the City Clerk, New City Hall, at 915 I Street, 5<sup>th</sup> Floor, Public Counter, Sacramento, California and opened at 2:00 PM, or as soon thereafter as business allows, on **February 24, 2016**, by the Office of the City Clerk, 915 I Street, Historic City Hall, 2<sup>nd</sup> Floor, Hearing Room, Sacramento, California.

TO THE HONORABLE CITY COUNCIL:

The undersigned hereby proposes and agrees to furnish any and all required labor, material, transportation, and services for

**16TH AVENUE SEWER REPLACEMENT, NORTON WAY TO 28TH STREET**  
**(PN: X14130608) (B16141321023)**

in the City and County of Sacramento, California.

TOTAL BID: One hundred thirty four thousand five hundred and one dollars and twenty cents (\$ 134,501.20).

The work herein described is to be performed in strict conformity with the Plans, City of Sacramento Standard Specifications (Resolution No. 89-216) and these Special Provisions, all as on file in the Office of the City Clerk, at the following unit prices.

Item No.	Description	Estimated Quantity	Unit	Unit Price	Total
1	Preconstruction Photographs	1	LS	\$ <u>2,000</u>	\$ <u>2,000</u>
2	8-Inch Sewer Pipe	602	LS	\$ <u>149.50</u>	\$ <u>89,999</u>
3	Manhole No. 3	3	EA	\$ <u>5333</u>	\$ <u>15,999</u>
4	Substandard Sewer Service	21	EA	\$ <u>1,000</u>	\$ <u>21,000</u>
5	Unsuitable Material	70	TON	\$ <u>42.90</u>	\$ <u>3,003</u>
6	Unmarked Utility Crossings	6	EA	\$ <u>416.70</u>	\$ <u>2,500.20</u>

TOTAL BID: \$ 134,501.20

***The undersigned agrees to execute the Agreement and provide City the executed Agreement, the required insurance certificates, endorsements, and waivers of subrogation, and the required surety bonds within ten (10) calendar days after the undersigned's receipt of the City's notice that the undersigned will be recommended for Contract award and prior to award of the Contract by the City Council.***

In determining the amount bid by each bidder, City shall disregard mathematical errors in addition, subtraction, multiplication and division that appear obvious on the face of the Proposal. When such a mathematical error appears on the Proposal, the City shall have the right to correct such error and to compute the total amount bid by said bidder on the basis of the corrected figure or figures.

When the unit price of an item is required to be set forth in the Proposal, and the total for the item set forth separately does not agree with a figure derived by multiplying the item unit price times the Engineer's estimate of the quantity of work to be performed for said item, the item unit price shall prevail over the sum set forth as the total for the item unless, in the sole discretion of the City, such a procedure would be inconsistent with the policy of the City's bidding procedures. The total paid for each such item of work shall be based upon the item unit price and not the total price.

Should the Proposal contain only a total price for an item and the item unit price is omitted, the City shall determine the item unit price by dividing the total price of the item by the Engineer's estimate of the quantity of work to be performed for the item of work.

If the Proposal contains neither the item price nor the total price for the item, then it shall be deemed incomplete and the Proposal shall be disregarded.

It is understood that this bid is based upon completion of the work within a period of **thirty (30) working days** commencing on the date specified in the Notice to Proceed.

The amount of liquidated damages to be paid by the Contractor for failure to complete the work by the completion date (as extended, if applicable) shall be **seven hundred dollars (\$700.00) for each calendar day**, continuing to the time at which the work is completed. Such amount is the actual cash value agreed upon as the loss to the City resulting from the default of the Contractor.

The undersigned represents and warrants that he/she has examined the location of the proposed work and is familiar with the conditions at the place where the work is to be done. The undersigned further represents that he/she has reviewed and understands the Plans, Special Provisions, and other contract documents, and the undersigned is satisfied with all conditions for the performance of the work.

The undersigned has carefully checked all of the above figures and understands that the City of Sacramento will not be responsible for any errors or omissions on the part of the undersigned in making up this bid.

This proposal shall not be withdrawn for the time periods specified in Section 3-2 of the City of Sacramento Standard Specifications for award of contract to respective low bidders. This proposal is submitted in accordance with Chapter 3.60 of the Sacramento City Code and Sections 1, 2, and 3 of the City of Sacramento Standard Specifications.

In accordance with Standard Specification Section 3-2, the City shall award this contract to the lowest responsible bidder, if such award is made, within forty-five (45) working days after opening of the Proposals. The City reserves the right to reject any and all bids.



KNOW ALL MEN BY THESE PRESENTS,

That we, \_\_\_\_\_

as Principal, and \_\_\_\_\_

a corporation duly organized under the laws of the State of \_\_\_\_\_ and duly licensed to become sole surety on bonds required or authorized by the State of California, as Surety, are held and firmly bound unto the City of Sacramento, hereinafter called the City, in the penal sum of ten percent (10%) of the (BASE OR LUMP SUM) Proposal of the Principal above named, or other amount as set forth in the Invitation to Bidders, submitted by said Principal to the City for the Work described below, for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH

That whereas the Principal has submitted the above mentioned proposal to the City, for which Proposals are to be opened by the Office of the City Clerk, Historic City Hall, Hearing Room, 2<sup>nd</sup> Floor, 915 I Street, Sacramento, California, on **February 24, 2016**, for the Work specifically described as follows:

**16TH AVENUE SEWER REPLACEMENT, NORTON WAY TO 28TH STREET**  
(PN: X14130608) (B16141321023)

NOW, THEREFORE, if the aforesaid Principal is award the Agreement and within the time and manner required under the Contract Documents, enters into a written Agreement, in the prescribed form, in accordance with the Proposal, and files two (2) bonds with the City, one to guarantee faithful performance and the other to guarantee payment for labor and materials, and files the required insurance policies with the City, all as required by the Contract Documents or by law, then the obligation shall be null and void; otherwise it shall be and remain in full force and effect.

In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety shall pay all costs incurred by the Obligee in such suit, including a reasonable attorney's fee to be fixed by the court, which sums shall be additional to the principal amount of this bond.

IN WITNESS THEREOF, We have hereunto set our hands and seal this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
PRINCIPAL Seal

By: \_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
SURETY Seal

By \_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
Agent Name and Address

\_\_\_\_\_  
Agent Phone #

\_\_\_\_\_  
Surety Phone #

\_\_\_\_\_  
California License #



# City of SACRAMENTO

## Subcontractor and Local Business Enterprise Participation Form For Public Projects over \$100,000 (use only base bid amount to estimate dollar value) THIS FORM MUST BE SUBMITTED WITH THE SEALED BID PROPOSAL

To be eligible for award of this contract, the bidder shall list the business entities used to attain the 5% LBE requirement. Additionally, the bidder shall list all other subcontractors who perform work, render service, or provide materials in an amount in excess of one-half of 1 percent of the total bid amount. In the case of bids for the construction of streets and highways, including bridges, subcontractors whose subcontract value exceeds one-half of 1 percent of the total bid or ten thousand dollars (\$10,000), whichever is greater, shall be listed. Estimated dollar values shall be provided for all work / services listed. The failure to attain the 5% LBE participation or the inclusion of false information or the omission of required information will render the bid non-responsive.

<b>Prime Contractor Name</b>	Caggiano General Engineering, Inc.	<b>Date</b>	9-24-16
<b>Prime Contractor Address</b>	3941 Park Ave, STE. 20-347, El Dorado Hills, CA 95762	<b>Bid Amount</b>	\$ 134,501.20
<b>(REQUIRED) Prime Contractor DIR Registration #</b>	1000001074	<b>Is Prime LBE?</b>	Yes <input type="radio"/> No <input checked="" type="radio"/>

<b>Business Name</b>	HD Supply Waterworks Ltd.	<b>Subcontractor DIR Registration # (subject to verification)</b>	<b>LBE?</b>	<b>Type of Work, Services, or Supplies to be provided to complete contract</b>	<b>Estimated Dollar Value of Work, Services or Supplies to be Performed of Provided</b>
<b>License Number</b>			<input checked="" type="radio"/> Yes <input type="radio"/> No	construction materials supplier pipe supplier	\$ 15,000
<b>Address</b>	1122 Joellis Way				
<b>City, State, Zip</b>	Sacramento, CA 95815				
<b>Contact Person</b>	Nancy Wunschel				
<b>Phone</b>	916-564-3893				
<b>Business Name</b>	GR Trucking/Crete Crush	<b>Subcontractor DIR Registration # (subject to verification)</b>	<b>LBE?</b>	<b>Type of Work, Services, or Supplies to be provided to complete contract</b>	<b>Estimated Dollar Value of Work, Services or Supplies to be Performed of Provided</b>
<b>License Number</b>	CA 0317141		<input checked="" type="radio"/> Yes <input type="radio"/> No	Trucking Service	\$ 6,800
<b>Address</b>	12584 White Rock Road	1000008629			
<b>City, State, Zip</b>	Rancho Cordova, CA 95742				
<b>Contact Person</b>	Koula V. Rozakis Kokologiannakis				
<b>Phone</b>	(916) 985-2700 Ext. 207				
<b>Business Name</b>		<b>Subcontractor DIR Registration # (subject to verification)</b>	<b>LBE?</b>	<b>Type of Work, Services, or Supplies to be provided to complete contract</b>	<b>Estimated Dollar Value of Work, Services or Supplies to be Performed of Provided</b>
<b>License Number</b>			<input type="radio"/> Yes <input type="radio"/> No		\$
<b>Address</b>					
<b>City, State, Zip</b>					
<b>Contact Person</b>					
<b>Phone</b>					

**COPY AND ATTACH ADDITIONAL SHEETS AS NECESSARY**

I hereby certify that each subcontractor listed on this Subcontractor and LBE Participation Form has been notified that it has been listed and has consented in writing to its name being submitted for this contract. The Prime Contractor also certifies that it will notify each subcontractor listed on this Form in writing if the contract award is made to the Prime Contractor, and will make all documentation relevant to the subcontractor and LBE participation available to City of Sacramento upon request. The Prime Contractor further certifies that all of the information contained in this Form is true and correct and acknowledges that the City will rely on the accuracy of this information in awarding the contract.

**PRINCIPAL OF FIRM:**

	President	2/24/16
<b>Signature</b>	<b>Title</b>	<b>Date</b>

Form Revised  
3/9/15

## DRUG-FREE WORKPLACE POLICY AND AFFIDAVIT

BID MAY BE DECLARED NONRESPONSIVE IF THIS FORM (COMPLETED) IS NOT ATTACHED.

Pursuant to City Council Resolution CC90-498 dated 6/26/90 the following is required.

The undersigned contractor certifies that it and all subcontractors performing under this contract will provide a drug-free workplace by:

1. Publishing a "Drug-Free Workplace" statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Establishing a Drug-Free Awareness Program to inform employees about:
  - a. The dangers of drug abuse in the workplace.
  - b. The contractor's policy of maintaining a drug-free workplace.
  - c. Any available drug counseling, rehabilitation, and employee assistance program.
  - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
3. Notify employees that as a condition of employment under this contract, employees will be expected to:
  - a. Abide by the terms of the statement.
  - b. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace.
4. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy on the "Drug-Free Workplace" statement.
5. Taking one of the following appropriate actions, within thirty (30) days of receiving notice from an employee or otherwise receiving such notice, that said employee has received a drug conviction for a violation occurring in the workplace:
  - a. Taking appropriate disciplinary action against such an employee, up to and including termination; or
  - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement or other appropriate agency.

\* I certify that no person employed by this company, corporation, or business has been convicted of any criminal drug statute violation on any job site or project where this company, corporation, or business was performing work within three years of the date of my signature below.

### EXCEPTION:

Date	Violation Type	Place of Occurrence
If additional space is required use back of this form.		

\*The above statement will also be incorporated as a part of each subcontract agreement for any and all subcontractors selected for performance on this project.

IN THE EVENT THIS COMPANY, CORPORATION, OR BUSINESS IS AWARDED THIS CONSTRUCTION CONTRACT, AS A RESULT OF THIS BID; THE CONTRACTOR WITH HIS/HER SIGNATURE REPRESENTS TO THE CITY THAT THE INFORMATION DISCLOSED IN THIS DOCUMENT IS COMPLETE AND ACCURATE. IT IS UNDERSTOOD AND AGREED THAT FALSE CERTIFICATION IS SUBJECT TO IMMEDIATE TERMINATION BY THE CITY.

The Representations Made Herein On This Document Are Made Under Penalty Of Perjury.

CONTRACTOR'S NAME: Caggiano General Engineering, Inc.

BY: \_\_\_\_\_, President Date: 2-24-16  
Signature Title

**Effects of violations:** a. Suspension of payments under this contract. b. Suspension or termination of the contract. c. Suspension or debarment of the contractor from receiving any contract from the City of Sacramento for a period not to exceed five years.  
FM 681 7/10/9

## **MINIMUM QUALIFICATIONS QUESTIONNAIRE**

Sacramento City Code Section 3.60.020 authorizes the Sacramento City Council to adopt standard minimum qualifications for bidders on competitively bid public works construction projects, and requires, among other provisions, that a bidder meet such minimum qualifications at the time of bid opening in order to bid. On July 31, 2007, the City Council adopted Resolution No. 2007-574 establishing these standard minimum qualifications. Pursuant to City Code section 3.60.020, a bidder failing to meet these minimum qualifications at the time of bid opening shall not be considered a responsible bidder for purposes of bidding on the subject project.

All bidders must demonstrate compliance with the minimum qualifications established by Resolution No. 2007-574 by completing all of the questions contained in this questionnaire. Bidder responses shall be limited to those operating business units, offices, branches and/or subsidiary divisions of the bidder that will be involved with the performance of any project work if awarded the contract. If a bidder answers "yes" to any single question, fails to submit a fully completed questionnaire, or submits false information, this will result in a determination that the minimum qualifications are not met, and the bidder shall not be considered a qualified bidder for purposes of bidding on this contract. If two or more entities submit a bid on a contract as a Joint Venture, each entity within the Joint Venture must separately meet these minimum qualifications for the Joint Venture to be considered a qualified bidder.

The City of Sacramento ("City") shall make its determination on the basis of the submitted questionnaire, as well as any relevant information that is obtained from others or as a result of investigation by the City. While it is the intent of this questionnaire to assist the City in determining whether bidders possess the minimum qualifications necessary to submit bids on the City's competitively bid public works construction contracts, the fact that a bidder submits a questionnaire demonstrating that it meets these minimum qualifications shall not in any way limit or affect the City's ability to: (1) review other information contained in the bid submitted by the bidder, and additional relevant information, and determine whether the contractor is a responsive and/or responsible bidder; or (2) establish pre-qualification requirements for a specific contract or contracts.

By submitting this questionnaire, the bidder consents to the disclosure of its questionnaire answers: (i) to third parties for purposes of verification and investigation; (ii) in connection with any protest, challenge or appeal of any action taken by the City; and (iii) as required by any law or regulation, including without limitation the California Public Records Act (Calif. Gov't Code sections 6250 et seq.). Each questionnaire must be signed under penalty of perjury in the manner designated at the end of the form, by an individual who has the legal authority to bind the bidder submitting the questionnaire. If any information provided by a bidder becomes inaccurate, the bidder shall immediately notify the City and provide updated accurate information in writing, under penalty of perjury.

## QUESTIONNAIRE

**NOTICE:** For firms that maintain other operating business units, offices, branches and/or subsidiary divisions that will not be involved with the performance of any project work if the firm is awarded the contract, references hereafter to "your firm" shall mean only those operating business units, offices, branches and/or subsidiary divisions that will be involved with the performance of any project work.

All of the following questions regarding "your firm" refer to the firm (corporation, partnership or sole proprietor) submitting this questionnaire, as well as any firm(s) with which any of your firm's owners, officers, or partners are or have been associated as an owner, officer, partner or similar position within the last five years

The firm submitting this questionnaire shall not be considered a responsible bidder if the answer to any of these questions is "yes", or if the firm submits a questionnaire that is not fully completed or contains false information.

1. **Classification & Expiration Date(s) of California Contractor's License Number(s) held by firm:**  
Class A, expires 8/31/2016
2. Has a contractor's license held by your firm and/or any owner, officer or partner of your firm been revoked at anytime in the last five years?  
☐ Yes ☒ No
3. Within the last five years, has a surety firm completed a contract on your firm's behalf, or paid for completion of a contract to which your firm was a party, because your firm was considered to be in default or was terminated for cause by the project owner?  
☐ Yes ☒ No
4. At the time of submitting this minimum qualifications questionnaire, is your firm ineligible to bid on or be awarded a public works contract, or perform as a subcontractor on a public works contract, pursuant to either California Labor Code section 1777.1 (prevailing wage violations) or Labor Code section 1777.7 (apprenticeship violations)?  
☐ Yes ☒ No
5. At any time during the last five years, has your firm, or any of its owners, officers or partners been convicted of a crime involving the awarding of a contract for a government construction project, or the bidding or performance of a government contract?  
☐ Yes ☒ No

6. Answer either subsection A or B, as applicable:

- A. Your firm has completed three or more government construction contracts in Sacramento County within the last five years: Within those five years, has your firm been assessed liquidated damages on three or more government construction contracts in Sacramento County for failure to complete contract work on time?

**NOTE: If there is a pending administrative or court action challenging the assessment of liquidated damages on a government contract within the last five years, you need not include that contract in responding to this question.**

☐ Yes ☒ No ☐ Not applicable

**OR**

- B. Your firm has not completed at least three government construction contracts in Sacramento County within the last five years: Within the last three years, has your firm been assessed liquidated damages on three or more government construction contracts for failure to complete contract work on time?

**NOTE: If there is a pending administrative or court action challenging an assessment of liquidated damages on a government contract within the last three years, you need not include that contract in responding to this question.**

☐ Yes ☐ No ☐ Not applicable

7. In the last three years has your firm been debarred from bidding on, or completing, any government agency or public works construction contract for any reason?

**NOTE: If there is a pending administrative or court action challenging a debarment, you need not include that debarment in responding to this question.**

☐ Yes ☒ No

8. Has CAL OSHA assessed a total of three or more penalties against your firm for any "serious" or "willful" violation occurring on construction projects performed in Sacramento County at any time within the last three years?

**NOTE: If there is a pending administrative or court action appealing a penalty assessment, you need not include that penalty assessment in responding to this question.**

☐ Yes ☒ No

9. Answer either subsection A or B, as preferred:

A. In the last three years has your firm had a three year average Workers' Compensation experience modification rate exceeding 1.1?

☐ Yes

☒ No

**OR**

B. In the last three years has your firm had a three-year average incident rate for total lost workday cases exceeding 10?

**NOTE:** Incident rates represent the number of lost workday cases per 100 full-time workers and is to be calculated as:  $(N/EH) \times 200,000$ , where

**N** = number of lost workday cases (as defined by the U.S. Dept. of Labor, Bureau of Labor Statistics)  
**EH** = total hours worked by all employees during the calendar year  
**200,000** = base for 100 equivalent full-time working (working 40 hours per week, 50 weeks per year)

☐ Yes

☐ No

10. In the past three years, has the federal EPA, Region IX or a California Air Quality Management District or Regional Water Quality Control Board assessed penalties three or more times, either against your firm, or against the project owner for a violation resulting in whole or in part from any action or omission by your firm on a project on which your firm was a contractor in Sacramento County?

**NOTE:** If there is a pending administrative or court action appealing a penalty assessment, you need not include that penalty assessment in responding to this question.

☐ Yes

☒ No

11. In the past three years, has the federal EPA, Region IX or a California Air Quality Management District or Regional Water Quality Control Board assessed a single penalty of \$100,000 or more, either against your firm, or against the project owner for a violation resulting in whole or in part from any action or omission by your firm on a project on which your firm was the contractor in Sacramento County?

**NOTE:** If there is a pending administrative or court action appealing a penalty assessment, you need not include that penalty assessment in responding to this question.

☐ Yes ☒ No

12. In the past three years, have civil penalties been assessed against your firm pursuant to California Labor Code 1777.7 for violation of California public works apprenticeship requirements, three or more times?

**NOTE:** If there is a pending administrative or court action appealing a penalty assessment, you need not include that penalty assessment in responding to this question.

☐ Yes ☒ No

13. In the past three years, has a public agency in California withheld contract payments or assessed penalties against your firm for violation of public works prevailing wage requirements, three or more times?

**NOTE:** If there is a pending administrative or court action appealing a withholding or penalty assessment, you need not include that withholding or penalty assessment in responding to this question.

☐ Yes ☒ No

14. Has your firm been assessed penalties for violation of public works prevailing wage requirements in California, in an aggregate amount for the past three years of \$50,000 or more?

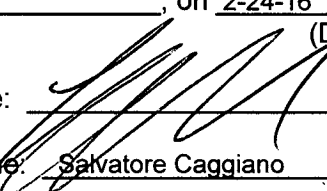
**NOTE:** If there is a pending administrative or court action appealing a penalty assessment, you need not include that penalty assessment in responding to this question.

☐ Yes ☒ No

### VERIFICATION AND SIGNATURE

I, the undersigned, certify and declare that I have read all the foregoing answers to this Minimum Qualifications Questionnaire, and know their contents. The matters stated in these Questionnaire answers are true of my own knowledge and belief, except as to those matters stated on information and belief, and as to those matters I believe them to be true. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signed at El Dorado Hills, CA., on 2-24-16.  
(Location) (Date)

Signature:  \_\_\_\_\_

Print name: Salvatore Caggiano

Title: President

NOTE: If two or more entities submit a bid on a contract as a Joint Venture, each entity within the Joint Venture must submit a separate Minimum Qualifications Questionnaire.



## **REQUIREMENTS OF THE NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE**

### **INTRODUCTION**

The Sacramento Non-Discrimination In Employee Benefits Code (the "Ordinance"), codified as Sacramento City Code Chapter 3.54, prohibits City contractors from discriminating in the provision of employee benefits between employees with spouses and employees with domestic partners, and between the spouses and domestic partners of employees.

### **APPLICATION**

The provisions of the Ordinance apply to any contract or agreement (as defined below), between a Contractor and the City of Sacramento, in an amount exceeding \$100,000.00. The Ordinance applies to that portion of a contractor's operations that occur: (i) within the City of Sacramento; (ii) on real property outside the City of Sacramento if the property is owned by the City or if the City has a right to occupy the property; or (iii) at any location where a significant amount of work related to a City contract is being performed.

The Ordinance does not apply: to subcontractors or subcontracts of any Contractor or contractors; to transactions entered into pursuant to cooperative purchasing agreements approved by the Sacramento City Council; to legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City; where the requirements of the ordinance will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement; to permits for excavation or street construction; or to agreements for the use of City right-of-way where a contracting utility has the power of eminent domain.

### **DEFINITIONS**

As set forth in the Ordinance, the following definitions apply:

"Contract" means an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the City or to be paid out of moneys deposited in the treasury or out of the trust money under the control or collected by the City. "Contract" also means a written agreement for the exclusive use ("exclusive use" means the right to use or occupy real property to the exclusion of others, other than the right reserved by the fee owner) or occupancy of real property for a term exceeding 29 days in any calendar year, whether by singular or cumulative instrument, (i) for the operation or use by others of real property owned or controlled by the City for the operation of a business, social, or other establishment or organization, including leases, concessions, franchises and easements, or (ii) for the City's use or occupancy of real property owned by others, including leases, concessions, franchises and easements.

"Contract" shall not include: a revocable at-will use or encroachment permit for the use of or encroachment on City property regardless of the ultimate duration of such permit; excavation, street construction or street use permits; agreements for the use of City right-of-way where a contracting utility has the power of eminent domain; or agreements governing the use of City property that constitute a public forum for activities that are primarily for the purpose of espousing or advocating causes or ideas and that are generally protected by the First Amendment to the United States Constitution or that are primarily recreational in nature.

"Contractor" means any person or persons, firm partnership or corporation, company, or combination thereof, that enters into a Contract with the City. "Contractor" does not include a public entity.

"Domestic Partner" means any person who has a currently registered domestic partnership with a governmental entity pursuant to state or local law authorizing the registration.

"Employee Benefits" means bereavement leave; disability, life, and other types of insurance; family medical leave; health benefits; membership or membership discounts; moving expenses; pension and retirement benefits; vacation; travel benefits; and any other benefit given to employees. "Employee benefits" shall not include benefits to the extent that the application of the requirements of this chapter to such benefits may be preempted by federal or state.

## **CONTRACTOR'S OBLIGATION TO PROVIDE THE CITY WITH DOCUMENTATION AND INFORMATION**

Contractor shall provide the City with documentation and information verifying its compliance with the requirements of the Ordinance within ten (10) days of receipt of a request from the City. Contractors shall keep accurate payroll records, showing, for each City Contract, the employee's name, address, Social Security number, work classification, straight time pay rate, overtime pay rate, overtime hours worked, status and exemptions, and benefits for each day and pay period that the employee works on the City Contract. Each request for payroll records shall be accompanied by an affidavit to be completed and returned by the Contractor, as stated, attesting that the information contained in the payroll records is true and correct, and that the Contractor has complied with the requirements of the Ordinance. A violation of the Ordinance or noncompliance with the requirements of the Ordinance shall constitute a breach of contract.

## **EMPLOYER COMPLIANCE CERTIFICATE AND NOTICE REQUIREMENTS**

- (a) All contractors seeking a Contract subject to the Ordinance shall submit a completed Declaration of Compliance Form (attachment "A"), signed by an authorized representative, with each proposal, bid or application. The Declaration of Compliance shall be made a part of the executed contract, and will be made available for public inspection and copying during regular business hours.
- (b) The Contractor shall give each existing employee working directing on a City contract, and (at the time of hire), each new employee, a copy of the notification provided as attachment "B."
- (c) Contractor shall post, in a place visible to all employees, a copy of the notice provided as attachment "C."

## DECLARATION OF COMPLIANCE Equal Benefits Ordinance

Caggiano General Engineering, Inc.

Name of Contractor

39414 Park Drive, STE. 20-347, El Dorado Hills, CA 95762

Address

The above named contractor ("Contractor") hereby declares and agrees as follows:

1. I have read and understand the Requirements of the Non-Discrimination In Employee Benefits Code (the "Requirements") provided to me by the City of Sacramento ("City") in connection with the City's request for proposals or other solicitations for the performance of services, or for the provision of commodities, under a City contract or agreement ("Contract").
2. As a condition of receiving the City Contract, I agree to fully comply with the Requirements, as well as any additional requirements that may be specified in the City's Non-Discrimination in Employee Benefits Code codified at Chapter 3.54 of the Sacramento City Code (the "Ordinance").
3. I understand, to the extent that such benefits are not preempted or prohibited by federal or state law, employee benefits covered by the Ordinance, are any of the following:
  - a. Bereavement Leave
  - b. Disability, life, and other types of insurance
  - c. Family medical leave
  - d. Health benefits
  - e. Membership or membership discounts
  - f. Moving expenses
  - g. Pension and retirement benefits
  - h. Vacation
  - i. Travel benefits
  - j. Any other benefit offered to employees

I agree that should I offer any of the above listed employee benefits, that I will offer those benefits, without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouses and domestic partners of such employees.

4. I understand that I will not be considered to be discriminating in the provision or application of employee benefits under the following conditions or circumstances:
  - a. In the event that the actual cost of providing a benefit to a domestic partner or spouse, exceeds the cost of providing the same benefit to a spouse or domestic partner of an employee, I will not be required to provide the benefit, nor shall it be deemed discriminatory, if I require the employee to pay the monetary difference in order to provide the benefit to the domestic partner or to the spouse.
  - b. In the event I am unable to provide a certain benefit, despite taking reasonable measures to do so, if I provide the employee with a cash equivalent, I will not be deemed to be discriminating in the application of that benefit.
  - c. If I provide employee benefits neither to employee's spouses nor to employee's domestic partners.
  - d. If I provide employee benefits to employees on a basis unrelated to marital or domestic partner status.
  - e. If I submit, to the Program Coordinator, written evidence of making reasonable efforts to end discrimination in employee benefits by implementing policies which are to be enacted before the

first effective date after the first open enrollment process following the date the Contract is executed with the City.

I understand that any delay in the implementation of such policies may not exceed one (1) year from the date the Contract is executed with the City, and applies only to those employee benefits for which an open enrollment process is applicable.

- f. Until administrative steps can be taken to incorporate, in the infrastructure, nondiscrimination in employee benefits

The time allotted for these administrative steps will apply only to those employee benefits for which administrative steps are necessary and may not exceed three (3) months from the date the Contract is executed with the City.

- g. Until the expiration of a current collective bargaining agreement(s) where, in fact, employee benefits are governed by a collective bargaining agreement(s).

- h. I take all reasonable measures to end discrimination in employee benefits by either requesting the union(s) involved agree to reopen the agreement(s) in order for me to take whatever steps are necessary to end discrimination in employee benefits or by my ending discrimination in employee benefits without reopening the collective bargaining agreement(s).

- i. In the event I cannot end discrimination in employee benefits despite taking all reasonable measures to do so, I provide a cash equivalent to eligible employees for whom employee benefits (as listed previously), are not available.

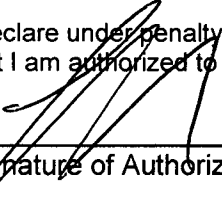
Unless otherwise authorized in writing by the City Manager, I understand this cash equivalent must begin at the time the union(s) refuse to allow the collective bargaining agreement(s) to be reopened or no longer than three (3) months from the date the Contract is executed with the City.

5. I understand that failure to comply with the provisions of Section 4. (a) through 4. (i), above, will subject me to possible suspension and/or termination of this Contract for cause; repayment of any or all of the Contract amount disbursed by the City; debarment for future contracts until all penalties and restitution have been paid in full; deemed ineligible for future contracts for up to two (2) years; the imposition of a penalty, payable to the City, in the sum of \$50.00 for each employee, for each calendar day during which the employee was discriminated against in violation of the provisions of the Ordinance.
6. I understand and do hereby agree to provide each current employee and, within ten (10) days of hire, each new employee, of their rights under the Ordinance. I further agree to maintain a copy of each such letter provided, in an appropriate file for possible inspection by an authorized representative of the City. I also agree to prominently display a poster informing each employee of these rights.
7. I understand that I have the right to request an exemption to the benefit provisions of the Ordinance when such a request is submitted to the Procurement Services Division, in writing with sufficient justification for resolution, prior to contract award.

I further understand that the City may request a waiver or exemption to the provisions or requirements of the Ordinance, when only one contractor is available to enter into a contract or agreement to occupy and use City property on terms and conditions established by the City; when sole source conditions exist for goods, services, public project or improvements and related construction services; when there are no responsive bidders to the Ordinance requirements and the contract is for essential goods or services; when emergency conditions with public health and safety implications exist; or when the contract is for specialized legal services if in the best interest of the City.

8. In consideration of the foregoing, I shall defend, indemnify and hold harmless, the City, its officers and employees, against any claims, actions, damages, costs (including reasonable attorney fees), or other liabilities of any kind arising from any violation of the Requirements or of the Ordinance by me.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind the Contractor to the provisions of this Declaration.

  
\_\_\_\_\_  
Signature of Authorized Representative

2-24-16  
\_\_\_\_\_  
Date

Salvatore Caggiano  
\_\_\_\_\_  
Print Name

President  
\_\_\_\_\_  
Title



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S  
**NON-DISCRIMINATION IN EMPLOYEE BENEFITS BY CITY CONTRACTORS ORDINANCE**

On ..... (date), your employer (the "Employer") entered into a contract with the City of Sacramento (the "City") for ..... (contract details), and as a condition of that contract, agreed to abide by the requirements of the City's Non-Discrimination In Employee Benefits By City Contractors Ordinance (Sacramento City Code Section 3.54):

The Ordinance does not require the Employer to provide employee benefits. The Ordinance does require that if certain employee benefits are provided by the Employer, that those benefits be provided without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouse or domestic partner of employees.

The Ordinance covers any employee working on the specific contract referenced above, but only for the period of time while those employees are actually working on this specific contract.

The included employee benefits are:

- |   |   |
|---|---|
| - Bereavement leave                             | - Moving expenses                       |
| - Disability, life and other types of insurance | - Pension and retirement benefits       |
| - Family medical leave                          | - Vacation                              |
| - Health benefits                               | - Travel benefits                       |
| - Membership or membership discounts            | - Any other benefits given to employees |

(Employee Benefits does not include benefits that may be preempted by federal or state law.)

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, or in the application of these employee benefits, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of the Ordinance, and after having exhausted all remedies with your employer,

**You May . . .**

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento  
Contract Services Unit  
915 I St., 2nd Floor  
Sacramento, CA 95814

- Bring an action in the appropriate division of the Superior Court of the State of California against the Employer and obtain the following remedies:
  - Reinstatement, injunctive relief, compensatory damages and punitive damages
  - Reasonable attorney's fees and costs



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S

**NON-DISCRIMINATION IN EMPLOYEE BENEFITS BY CITY CONTRACTORS ORDINANCE**

If your employer provides employee benefits, they must be provided to those employees working on a City of Sacramento contract without discriminating between employees with spouses and employees with domestic partners.

The included employee benefits are:

- |   |   |
|---|---|
| - Bereavement leave                             | - Moving expenses                       |
| - Disability, life and other types of insurance | - Pension and retirement benefits       |
| - Family medical leave                          | - Vacation                              |
| - Health benefits                               | - Travel benefits                       |
| - Membership or membership discounts            | - Any other benefits given to employees |

If you feel you have been discriminated against by your employer . . .

**You May . . .**

- o Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:  
  
City of Sacramento  
Contract Services Unit  
915 I St., 2nd Floor  
Sacramento, CA 95814
- o Bring an action in the appropriate division of the Superior Court of the State of California against the employer and obtain reinstatement, injunctive relief, compensatory damages, punitive damages and reasonable attorney's fees and costs.

**Discrimination and Retaliation Prohibited.**

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of this Ordinance . . .

**You May Also . . .**

Submit a written complaint to the City of Sacramento, Contract Services Unit, at the same address, containing the details of the alleged violation.



**LOCAL BUSINESS ENTERPRISE (LBE)  
PARTICIPATION REQUIREMENTS  
FOR PUBLIC PROJECTS OF \$100,000 OR MORE**  
(City Contracts no Federal Funds Used)

**I. LBE PARTICIPATION REQUIREMENT**

On April 3, 2012, the Sacramento City Council adopted a Local Business Enterprise (LBE) Preference Program to provide enhanced opportunities for the participation of local business enterprises (LBEs) in the City's contracting and procurement activities. On November 19, 2013, the City Council increased the LBE preference percentage and authorized City departments to require minimum LBE participation levels in specific contracts. Under City Code section 3.60.270, when the bid specifications for a City contract establish a minimum participation level for LBEs, no bidder on the contract shall be considered responsive unless its bid meets the minimum LBE participation level required by the bid specifications.

The City has established a **minimum 5% participation level for LBEs on this contract**. Pursuant to City Code Section 3.60.270, no bidder on this contract shall be considered responsive unless its bid meets or exceeds this minimum participation level.

Bidder and any other business entity listed on the LBE forms submitted shall comply with all applicable laws relating to licensing, permitting, and payment of taxes and fees in the City of Sacramento or County of Sacramento; and shall not be in arrears to the City of Sacramento or County of Sacramento, upon award of a contract.

**II. LBE QUALIFICATION**

- A. A LBE designated in the bid must be qualified as a LBE prior to the time set for submission of bids.
- B. Local Business Enterprise means a business enterprise, including but not limited to, a sole proprietorship, partnership, limited liability company, corporation, or other business entity that has a legitimate business presence in the City or unincorporated county of Sacramento. Proof of legitimate business presence in the City or unincorporated county of Sacramento shall include:
  - 1. Having a current City of Sacramento Business Operation Tax or County of Sacramento Business License for at least twelve (12) consecutive months prior to submission of bid; and
  - 2. Having either of the following types of offices or workspace operating legally within the City or unincorporated county of Sacramento for at least twelve (12) consecutive months prior to submission of bid:
    - a. The LBE's principle business office or workspace; or
    - b. The LBE's regional, branch or satellite office with at least one full time employee located in the City or unincorporated county of Sacramento.

- C. A LBE must provide a physical address for the basis of location. This excludes P.O. Box addresses.
- D. A LBE must provide a current copy of the City of Sacramento Business Operations Tax Certificate or County of Sacramento Business License.

### III. DETERMINATION OF LBE PARTICIPATION LEVEL

- A. LBE Participation: The percentage of LBE participation is determined based on the dollar value of the work to be performed or supplies to be furnished by certified LBEs designated in the bidder's Subcontractor and LBE Participation Verification Form, relative to the total dollar amount of the bid.
- B. Participation Credit: To receive credit for participation:(1) a LBE subcontractor must be responsible for the execution of a distinct element of the work, must possess any license or certification required for the work, and must actually perform, manage, or supervise the work without subcontracting or otherwise shifting any portion of the work to another subcontractor; and (2) a LBE supplier must furnish materials, equipment, or supplies that the supplier sells as a recurring, although not necessarily primary, part of its business, and that are necessary for performance of the work.
- C. Suppliers: Credit for a LBE supplier of materials, equipment, or supplies is counted as one hundred (100) percent of the amount paid to the supplier for the material, equipment, or supplies. To receive this credit, LBE suppliers must be listed on the bidder's Subcontractor and LBE Participation Verification Form.
- D. Subcontractors (including truckers): To receive credit for a LBE subcontractor, the subcontractor must be listed on the bidder's Subcontractor and LBE Participation Verification Form.
  - Truckers: Credit for a LBE trucker is counted as one hundred (100) percent of the amount paid to the trucker for trucking services, not including any amount paid to the trucker for the cost of any materials, equipment, or supplies being transported by the trucker.

### IV. LBE REQUIREMENTS FOR CONTRACTOR

- A. LBE Records: The Contractor shall maintain records of all subcontracts with verified LBE subcontractors and records of materials purchased from verified LBE suppliers for one (1) year after receiving final payment from the City. Such records shall show the name and business address of each LBE subcontractor or supplier and the total dollar amount actually paid each LBE subcontractor or supplier.

Not later than 30 days after completion of the work performed under the contract, a summary of these records shall be prepared, certified correct by the Contractor's authorized representative and furnished to the City. The Contractor shall provide such other information, records, reports, certifications or other documents as may

be required by City, to determine compliance with any provision of the LBE program or these specifications.

- B. Performance of LBE Subcontractors and Suppliers: The LBEs listed by the Contractor shall perform the work and supply the materials, equipment, and supplies for which they are listed unless the Contractor has received prior written authorization from the City to perform the work with other forces or to obtain the material, equipment, or supplies from other sources. Reasons for requesting such authorization would include:
1. The listed LBE fails to execute a written contract based upon the general terms, conditions, plans, and specifications for the project.
  2. The listed LBE becomes bankrupt or insolvent.
  3. The listed LBE subcontractor fails to meet the bond requirements of the Contractor.
  4. The work performed or the materials/equipment/supplies provided by the listed LBE are unsatisfactory or are not in accordance with the plans and specifications, or the listed LBE fails to perform its contractual obligations.
  5. It would be in the best interest of the City.
- C. Subcontractor Substitution: No substitution of a LBE subcontractor shall be made at any time without compliance with the Subletting and Subcontracting Fair Practices Act. If a LBE subcontractor is unable to perform successfully and is to be replaced, the Contractor shall make reasonable efforts to replace the original LBE subcontractor with another verified LBE subcontractor. The new LBE subcontractor must be verified at the time of substitution.
- D. Reporting and Utilization Requirements and Sanctions: Failure to provide specific information, records, reports, certifications, or any other documents required for compliance with these specifications, or failure to utilize one or more LBEs in substantial compliance with the LBE utilization indicated in the Contractor's bid (unless otherwise authorized by City as provided herein, or when such failure results from changes to the work approved by the City), shall be considered a breach of the contract, and a deduction may be made from the contract amount. The deduction shall be not more than ten (10) percent of the value of the work or materials/equipment/supplies that the subject LBE(s) were listed to perform/provide in the Contractor's bid, and shall be deducted from any payment due to the Contractor. This is in addition to any deduction that may be made under any other provision of the contract, the Sacramento City Code, or State law.
- E. Hearing and Review of Division Manager Decision: Prior to making a deduction pursuant to Section IV (D), above, the City shall provide written notice of the proposed deduction to the Contractor, and the Contractor may, not later than five (5) working days after receiving such notice, provide a written request to City for a hearing to contest the proposed deduction. Upon receipt of a timely written

request from the Contractor, the City shall schedule a hearing before the Division Manager (as defined in the City's Standard Specifications for Public Construction), and written notice of the date, time and location of the hearing shall be provided to the Contractor not less than five (5) working days prior to the date of the hearing. The hearing shall be conducted in the manner specified in Section 4-8 of the Standard Specifications, and the Division Manager shall prepare and forward to the Contractor a written decision as soon as practicable after the hearing. The Division Manager's decision shall be subject to review in accordance with the provisions of Section 4-9 of the Standard Specifications. Failure to request such review in compliance with the requirements set forth in Section 4-9 shall constitute acceptance of the Division Manager's decision by the Contractor.

The written notices and requests described above shall be provided by registered or certified mail (return receipt requested), by telecopy, by personal delivery, or by any other method that provides reliable evidence of the date of receipt. Written notice provided by telecopy shall be deemed received on the date that it is transmitted and transmission is confirmed by the transmitting machine. Written notice provided by personal delivery shall be deemed received on the date of delivery.

## **V. DEFINITIONS**

- A. Local Business Enterprise (LBE): A business enterprise, including but not limited to, a sole proprietorship, partnership, limited liability company, corporation, or any other business entity that has a legitimate business presence in the City of Sacramento or unincorporated county of Sacramento.
- B. Contractor: The sole proprietorship, partnership, limited liability company, corporation, or any other business entity entering into a contract with the City of Sacramento.
- C. Subcontractor: The sole proprietorship, partnership, limited liability company, corporation, or other business entity entering into a contract with the prime contractor to perform a portion of the work.
- D. Supplier: The sole proprietorship, partnership, limited liability company, corporation, or other business entity to provide materials, equipment, or supplies necessary for performance of the work.
- E. Proposal: Any response to a City solicitation for Proposals or Qualifications.
- F. Bid: Any response to a City solicitation for bids.

*City of*  
**SACRAMENTO**

**16<sup>TH</sup> AVENUE SEWER REPLACEMENT**  
(X14130608)

**ADDENDUM #01**

February 17, 2016

To All Potential Bidders:

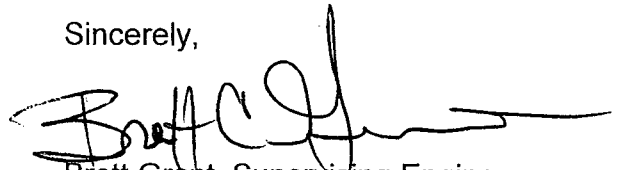
Attached hereto are addenda items, which shall be incorporated into the Plans and Specifications for the above noted project. These changes shall be considered as part of the original documents, as if they were originally provided therein, and as such shall be used as contractual documents. All other terms, conditions, and specifications of the bid remain unchanged. Bidders must acknowledge receipt of this addendum prior to the hour and date specified for bids to be received by one of the following methods:

- (a) By acknowledging receipt on the sealed proposal in the space provided.
- (b) By separate letter that includes a reference to the Project Name and the Addendum Number.

Failure to acknowledge receipt of this addendum in one of the above methods and cause acknowledgment to be received prior to the hour and date specified for receipt of proposals may result in rejection of your proposal. If by virtue of this addendum you decide to change a proposal already submitted, such change may be made by letter, provided such letter makes reference to the Project Name and this Addendum, and is received prior to the hour and date specified for receipt of proposals.

For any questions related to this addendum, contact the Project Manager, James Yorita at (916) 808-1911.

Sincerely,



Brett Grant, Supervising Engineer

Addendum  
Enclosure

cc: Distribution List  
Planholders

**16<sup>TH</sup> AVENUE SEWER REPLACEMENT**  
**(X14130608)**

Addendum No. 01

Date: February 17, 2016

ADDENDUM ITEMS		
Ref No.	Page or Drawing	Location and Description of Change
Contract Specifications	Cover	Contract Specifications, Engineer's Estimate: 199,000.00 – Change Description to read "Engineer's Estimate: 147,000.00"

CITY OF SACRAMENTO  
Department of Utilities  
Engineering Services Division

BID PROPOSAL GUARANTEE  
Page 1 of 1

KNOW ALL MEN BY THESE PRESENTS,

That we, Caggiano General Engineering, Inc.

as Principal, and American Contractors Indemnity Company

a corporation duly organized under the laws of the State of California and duly licensed to become sole surety on bonds required or authorized by the State of California, as Surety, are held and firmly bound unto the City of Sacramento, hereinafter called the City, in the penal sum of ten percent (10%) of the (BASE OR LUMP SUM) Proposal of the Principal above named, or other amount as set forth in the Invitation to Bidders, submitted by said Principal to the City for the Work described below, for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH

That whereas the Principal has submitted the above mentioned proposal to the City, for which Proposals are to be opened by the Office of the City Clerk, Historic City Hall, Hearing Room, 2<sup>nd</sup> Floor, 915 I Street, Sacramento, California, on **February 24, 2016**, for the Work specifically described as follows:

**16TH AVENUE SEWER REPLACEMENT, NORTON WAY TO 28TH STREET**  
(PN: X14130608) (B16141321023)

NOW, THEREFORE, if the aforesaid Principal is award the Agreement and within the time and manner required under the Contract Documents, enters into a written Agreement, in the prescribed form, in accordance with the Proposal, and files two (2) bonds with the City, one to guarantee faithful performance and the other to guarantee payment for labor and materials, and files the required insurance policies with the City, all as required by the Contract Documents or by law, then the obligation shall be null and void; otherwise it shall be and remain in full force and effect.

In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety shall pay all costs incurred by the Obligee in such suit, including a reasonable attorney's fee to be fixed by the court, which sums shall be additional to the principal amount of this bond.

IN WITNESS THEREOF, We have hereunto set our hands and seal this 22nd day of February, 2016.

Caggiano General Engineering, Inc.  
PRINCIPAL Seal

By:   
Title

American Contractors Indemnity Company  
SURETY Seal

By:   
Title

Attorney-in-Fact: Pietro Micciche  
Title

Preferred Bonding & Insurance Service  
Agent Name and Address

1800 McCollum Street Los Angeles, CA 90026

(323) 663-7814

Agent Phone #

(310) 649-0990

Surety Phone #

NPN- 3660658

California License #

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

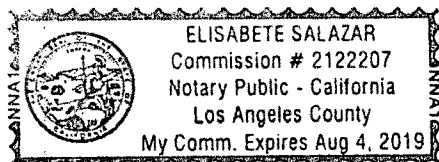
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
 County of Los Angeles )  
 On **FEB 22 2016** before me, Elisabethe Salazar, Notary Public  
 Date Here Insert Name and Title of the Officer  
 personally appeared Pietro Micciche  
 Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature   
 Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

☐ Corporate Officer — Title(s): \_\_\_\_\_

☐ Partner — ☐ Limited ☐ General

☐ Individual ☒ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

☐ Corporate Officer — Title(s): \_\_\_\_\_

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



VOID

VOID

## POWER OF ATTORNEY

AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY  
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, Texas Bonding Company, an assumed name of American Contractors Indemnity Company, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

**Patricia Zenizo, Elisabete Salazar or Pietro Micciche of Los Angeles California**

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed \*\*\*\*\*Three Million\*\*\*\*\* Dollars (\$ \*\*3,000,000.00\*\* ).

This Power of Attorney shall expire without further action on December 20, 2017. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 1st day of December, 2014.

AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY  
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

Corporate Seals



By:

Daniel P. Aguilar, Vice President

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Los Angeles SS:

On this 1st day of December, 2014, before me, Maria G. Rodriguez-Wong, a notary public, personally appeared Dan P. Aguilar, Vice President of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.  
WITNESS my hand and official seal.

Signature

(Seal)

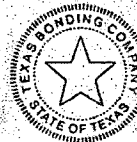


I, Michael Chalekson, Assistant Secretary of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 22nd day of February, 2016.

Corporate Seals

Bond No. N/A  
Agency No. 3057



Michael Chalekson, Assistant Secretary

FOLLOWING FORMS TO BE FILLED OUT AND SIGNED

ONLY

IF AWARDED CONTRACT

## WORKER'S COMPENSATION INSURANCE CERTIFICATION

TO THE CITY OF SACRAMENTO:

The undersigned does hereby certify that he is aware of the provisions of Section 3700 et seq. of the Labor Code which require every employer to be insured against liability for worker's compensation claims or to undertake self-insurance in accordance with the provisions of said Code, and that he/she will comply with such provisions before commencing the performance of the work on this contract.

Caggiano General Engineering, Inc.

Bidder

BY: 

Title: President

Address: 2353 Dartmouth Place

El Dorado Hills, CA 95672

Date: 3-16-16

### PLEASE READ CAREFULLY BEFORE SIGNING

To be signed by authorized corporate officer or partner or individual submitting the bid. If bidder is: (example)

1. An individual using a firm name, sign: "John Doe, and individual doing business as Blank Company".
2. An individual doing business under his own name, sign: Your name only.
3. A co-partnership, sign: "John Doe and Richard Doe, co-partners doing business as Blank Company, by, John Doe, Co-Partner".
4. A corporation, sign: "Blank Company, by John Doe, Secretary". (Or other title)

AGREEMENT  
(Construction Contract over \$25,000)

THIS AGREEMENT, dated for identification April 5, 2016 is made and entered into between the CITY OF SACRAMENTO, a municipal corporation ("City"), and **Caggiano General Engineering, Inc. 2353 Dartmouth Place, El Dorado Hills, CA 95672** ("Contractor").

The City and Contractor hereby mutually agree as follows:

1. CONTRACT DOCUMENTS

The Contract Documents, sometimes also referred to as the "Contract," consist of the following items, which are hereby incorporated by reference as if set forth in full in this Agreement:

The Notice to Contractors  
The Proposal Form submitted by the Contractor  
The Instructions to Bidders  
The Local Business Enterprise (LBE) Requirements  
The Requirements for the Non-Discrimination in Employee Benefits by City Contractors Ordinance and the Declaration of Compliance  
The City's Reference Guide for Construction Contracts  
The Addenda, if any  
This Agreement  
The Standard Specifications  
The Special Provisions  
The Plans and Technical Specifications  
The drawings and other data and all developments thereof prepared by City pursuant to the Contract  
Any modifications of any of the foregoing made or approved by City, including but not limited to duly authorized change orders.

Unless specifically noted otherwise, references to the "Standard Specifications" shall mean and refer to the Standard Specifications for Public Construction of the City of Sacramento approved by the Sacramento City Council on June 4, 2007 (Resolution No. 2007-350), and any subsequent amendments thereto approved by the Sacramento City Council or the Sacramento City Manager. Work called for in any one Contract Document and not mentioned in another is to be performed and executed as if mentioned in all Contract Documents. The table of contents, titles and headings contained in the Contract Documents are provided solely to facilitate reference to various provisions of the Contract Documents and in no way affect or limit the interpretation of the provisions to which they refer.

2. DEFINITIONS

Unless otherwise specifically provided herein, all words and phrases defined in the Standard Specifications shall have the same meaning and intent in this Agreement.

3. AGREEMENT CONTROLS

In the event of a conflict between any of the terms and conditions set forth in this Agreement and the terms and conditions set forth in other Contract Documents, the terms and conditions set forth in this Agreement shall prevail, except that the provisions of any duly authorized change order shall prevail over any conflicting provisions of this Agreement.

4. SCOPE OF CONTRACT

Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, material and transportation necessary to perform and complete in a good and workmanlike manner to the satisfaction of City, all the Work called for in the Contract Documents entitled:

16TH AVENUE SEWER REPLACEMENT, NORTON WAY TO 28TH STREET  
(PN: X14130608)

Including the Work called for in the following alternative bid items described in the Proposal Form:

---

Contractor agrees to perform such Work in the manner designated in and in strict conformity with the Contract Documents.

5. CONTRACT AMOUNT AND PAYMENTS

City agrees to pay and Contractor agrees to accept, as complete payment for the above Work, in accordance with the schedule and procedures set forth in the Contract Documents and subject to deductions, withholdings and additions as specified in the Contract Documents, a total sum that shall not exceed the total bid amount set forth in Contractor's Proposal Form. In addition, subject to deductions, withholdings and additions as specified in the Contract Documents, payment for individual items of the Work shall be computed as follows:

- A. For items of the Work for which a lump sum price is specified in Contractor's Proposal Form, Contractor shall be paid the lump sum price(s) specified in Contractor's Proposal Form; and
- B. For items of the Work for which a unit price is specified in Contractor's Proposal Form, Contractor shall be paid the sum computed at such unit price, or computed at a different price if such different price is determined by City in accordance with the Standard Specifications, based on the actual amount of each such item performed and/or furnished and incorporated in the Work; provided that in no event shall the total sum for a unit price item exceed the total bid amount set forth for such item in the Contractor's Proposal Form, unless authorized by Change Order.

6. PROGRESS PAYMENTS

Subject to the terms and conditions of the Contract, City shall cause payments to be made upon demand of Contractor as follows:

- A. On or about the first of the month, the Engineer shall present to the Contractor a statement showing the amount of labor and materials incorporated in the Work through the twentieth (20) calendar day of the preceding month. After both Contractor and Engineer approve the statement in writing, and the City's labor compliance officer provides written approval, the City shall issue a certificate for ninety-five (95) percent of the amount it shall find to be due, subject to any deductions or withholdings authorized or required under the Contract or any applicable Laws or Regulations.
- B. No inaccuracy or error in said monthly estimates shall operate to release Contractor from damages arising from such Work or from enforcement of each and every provision of the Contract Documents, and City shall have the right subsequently to correct any error made in any estimate for payment.
- C. Contractor shall not be paid for any defective or improper Work.
- D. The remaining five (5) percent of the value of the Work performed under the Contract, if unencumbered and subject to any deductions or withholdings authorized or required under the Contract or any applicable Laws or Regulations, shall be released not later than sixty (60) days after completion and final acceptance of the Work by City. Acceptance by Contractor of the final payment shall constitute a waiver of all claims against the City arising under the Contract Documents, except for disputed claims in stated amounts that the Contractor specifically

reserves in writing, but only to the extent that the Contractor has complied with all procedures and requirements applicable to the presentation and processing of such claim(s) under the Contract Documents. Contractor shall be entitled to substitute securities for retention or to direct that payments of retention be made into escrow, as provided in Public Contract Code Section 22300, upon execution of the City's Escrow Agreement for Security Deposits in Lieu of Retention.

- E. The parties agree that, for purposes of the timely progress payment requirements specified in Public Contract Code Section 20104.50, the date that the City receives a statement jointly approved by the Contractor and the Engineer as provided above shall be deemed to constitute the date that City receives an undisputed and properly submitted payment request from the Contractor. Progress payments not made within 30 days after this date may be subject to payment of interest as provided in Public Contract Code Section 20104.50.
- F. This Contract is subject to compliance monitoring and enforcement by the California Department of Industrial Relations, as specified in California Labor Code section 1771.4.

## 7. RETENTION OF SUMS CHARGED AGAINST CONTRACTOR

When, under the provisions of this Contract or any applicable Laws or Regulations, City is authorized or required to withhold, deduct or charge any sum of money against Contractor, City may deduct and retain the amount of such charge from the amount of the next succeeding progress estimate(s), or from any other moneys due or that may become due Contractor from City. If, on completion or termination of the Contract, sums due Contractor are insufficient to pay City's charges, City shall have the right to recover the balance from Contractor or its Sureties.

## 8. COMMENCEMENT AND PROSECUTION OF WORK

Contractor shall commence the Work not later than fifteen (15) working days after the date of the written Notice to Proceed from City to Contractor and shall diligently prosecute the Work to final completion. The phase "commence the Work" means to engage in a continuous program on-site including, but not limited to, site clearance, grading, dredging, land filling and the fabrications, erection, or installation of the Work. The Notice to Proceed shall be issued within fifteen (15) calendar days following execution of the Agreement by the City and the filing by Contractor of the required Bonds and proof of insurance, provided that the Engineer may delay issuance of the Notice to Proceed if the Engineer determines in the Engineer's sole discretion that conditions on the site of the Work are unsuitable for commencement of the Work. After the Notice to Proceed is issued, the continuous prosecution of Work by Contractor shall be subject only to Excusable Delays as defined in this Agreement.

## 9. TIME OF COMPLETION

The entire Work shall be brought to completion in the manner provided for in the Contract Documents on or before **thirty (30) working** days from the date of the Notice to Proceed (hereinafter called the "Completion Date") unless extensions of time are granted in accordance with the Contract Documents.

Failure to complete the entire Work by the Completion Date and in the manner provided for in the Contract Documents shall subject Contractor to liquidated damages as provided in this Agreement. Time is and shall be of the essence in the performance of the Contract and the Work.

## 10. PAYMENTS DO NOT IMPLY ACCEPTANCE OF WORK

The payment of any progress payment, or the acceptance thereof by Contractor, shall not constitute acceptance of the Work or any portion thereof and shall in no way reduce the liability of Contractor to replace unsatisfactory work or material, whether or not the unsatisfactory character of such work or material was apparent or detected at the time such payment was made.

11. ACCEPTANCE NOT RELEASE

Contractor shall correct immediately any defective or imperfect work or materials that may be discovered before final acceptance of the entire Work, whether or not such defect or imperfection was previously noticed or identified by the City. The inspection of the Work, or any part thereof, shall not relieve Contractor of any of its obligations to perform satisfactory work as herein specified.

Failure or neglect on the part of City or any of its officers, employees or authorized agents to discover, identify, condemn or reject defective or imperfect work or materials shall not be construed to imply an acceptance of such work or materials, if such defect or imperfection becomes evident at any time prior to final acceptance of the entire Work, nor shall such failure or neglect be construed as barring City from enforcing Contractor's warranty(ies) or otherwise recovering damages or such a sum of money as may be required to repair or rebuild the defective or imperfect work or materials whenever City may discover the same, subject only to any statutes of limitation that may apply to any such claim.

12. CITY'S RIGHT TO TAKE POSSESSION OF THE WORK IN WHOLE OR IN PART

The City shall have the right at any time to enter upon the Work and perform work not covered by this Contract, or to occupy and use a portion of the Work, prior to the date of the final acceptance of the Work as a whole, without in any way relieving Contractor of any obligations under this Contract.

13. NO WAIVER OF REMEDIES

Neither the inspection by City, its officers, employees or agents, nor any certificate or other approval for the payment of money, nor any payment for, nor acceptance of the whole or any part of the Work by City, nor any extensions of time, nor any position taken by City, its officers, employees or its agents shall operate as a waiver of any provision of the Contract Documents nor of any power herein reserved to City or any right to damages herein provided, nor shall any waiver of any breach of this Agreement be held to be a waiver of any other or subsequent breach. All remedies provided in the Contract Documents shall be taken and construed as cumulative; in addition to each and every other remedy herein provided, the City shall have any and all equitable and legal remedies that it would in any case have.

14. WARRANTY

Except as otherwise expressly provided in the Contract Documents, and excepting only items of routine maintenance, ordinary wear and tear and unusual abuse or neglect by City, Contractor warrants and guarantees all Work executed and all supplies, materials and devices of whatsoever nature incorporated in or attached to the Work, or otherwise provided as a part of the Work pursuant to the Contract, to be absolutely free of all defects of workmanship and materials for a period of one year after final acceptance of the entire Work by the City. Contractor shall repair or replace all work or material, together with any other work or material that may be displaced or damaged in so doing, that may prove defective in workmanship or material within this one year warranty period without expense or charge of any nature whatsoever to City.

In the event that Contractor shall fail to comply with the conditions of the foregoing warranty within ten (10) days after being notified of the defect in writing, City shall have the right, but shall not be obligated, to repair, or obtain the repair of, the defect and Contractor shall pay to City on demand all costs and expense of such repair. Notwithstanding anything herein to the contrary, in the event that any defect in workmanship or material covered by the foregoing warranty results in a condition that constitutes an immediate hazard to public health or safety, or any property interest, or any person, City shall have the right to immediately repair, or cause to be repaired, such defect, and Contractor shall pay to City on demand all costs and expense of such repair. The foregoing statement relating to hazards to health, safety or property shall be deemed to include both temporary and permanent repairs that may be required as determined in the sole discretion and judgment of City.

In addition to the above, the Contractor shall make a written assignment of all manufacturer's and other product warranties to the City, prior to completion and final acceptance of the Work by City.

The Contractor's Performance Bond shall secure the performance of the Contractor's obligations under this Section 14, and the Contractor and its Surety shall be jointly and severally liable for these obligations.

15. LIQUIDATED DAMAGES IF WORK NOT COMPLETED ON TIME

- A. The actual fact of the occurrence of damages and the actual amount of the damages that City would suffer if the entire Work, and/or any specified portion thereof, were not completed within the time(s) specified herein are dependent upon many circumstances and conditions that could prevail in various combinations, and for this reason, it is impracticable and extremely difficult to fix the actual damages. Damages that City would suffer in the event of such delay include: loss of the use of the project; expenses of prolonged assignment to the project of an architectural and/or engineering staff; prolonged costs of administration, inspection, and supervision; increased operational expenses and/or impaired operation of other facilities dependent upon completion of the project; and the loss and inconvenience suffered by the public within the City of Sacramento by reason of the delay in the completion of the project or portion thereof. Accordingly, the parties agree, and by execution of this Agreement, Contractor acknowledges that it understands and agrees, that the amount(s) set forth herein as liquidated damages reflect the parties' best efforts at the time of entering into the Contract to estimate the damages that may be incurred by City and the public due to the Contractor's delay in completion of the Work and/or any specified portion thereof, and shall be presumed to be the amount of damages sustained by the failure of Contractor to complete the entire Work and/or any specified portion thereof within the time(s) specified herein.
- B. Contractor shall pay liquidated damages to City for failure to complete the entire Work by the Completion Date (as extended in accordance with the Contract Documents, if applicable) in the amount of **seven hundred dollars (\$700.00)** for each calendar day after the Completion Date (as extended in accordance with the Contract Documents, if applicable), continuing to the time at which the entire Work is completed. Such amount is the actual cash value agreed upon by the City and Contractor as the loss to City and the public resulting from Contractor's default.

The parties agree, and by execution of this Agreement, Contractor acknowledges that it understands and agrees, that the foregoing provisions provide for the imposition of liquidated damages from the Completion Date (as extended in accordance with the Contract Documents, if applicable) until the date of completion of the entire Work as determined by the Engineer in accordance with Section 8-4 of the Standard Specifications, whether or not the Work or any portion thereof is claimed or determined to be substantially complete prior to such date of completion.

- C. In the event Contractor shall become liable for liquidated damages, City, in addition to all other remedies provided by law, shall have the right to withhold any and all payments that otherwise would be or become due Contractor until the liability of Contractor under this section is finally determined. City shall have the right to use and apply such payments, in whole or in part, to reimburse City for all liquidated damages due or to become due to City. Any remaining balance of such payments shall be paid to Contractor only after discharge in full of all liability incurred by Contractor under this section or otherwise under any provision of the Contract Documents or any applicable Law or Regulation. If the sum so retained by City is not sufficient to discharge all such liabilities of Contractor, Contractor shall continue to remain liable to City until all such liabilities are satisfied in full. No failure by City to withhold any payment as specified above shall in any manner be construed to constitute a release of any such liabilities nor a waiver of the City's right to withhold payment for such liabilities.

16. INDEMNITY AND HOLD HARMLESS

- A. Contractor shall defend, hold harmless and indemnify the City, its officers, employees, and agents, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, whether arising on or off the site of the Work, including, but not limited to, any fees and/or costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as



“Liabilities”), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform the Work by the Contractor, any subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder, or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage or expense to the extent arising from (i) the sole negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, or (ii) the active negligence of City.

- B. The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City’s rights under this Section 16, nor shall the limits of such insurance limit the liability of Contractor hereunder. The provisions of this Section 16 shall survive any expiration or termination of the Contract.

17. **CONTRACTOR SHALL ASSUME RISKS**

Until the completion and final acceptance by City of all Work under this Contract, the Work shall be under Contractor's responsible care and charge, and Contractor, at no cost to City, shall rebuild, repair, restore and make good all injuries, damages, re-erections, and repairs occasioned or rendered necessary by accidental causes of any nature, to all or any portions of the Work.

18. **GENERAL LIABILITY OF CONTRACTOR**

Except as otherwise herein expressly stipulated, Contractor shall perform all the Work and furnish all the labor, materials, tools, equipment, apparatus, facilities, transportation, power and light, and appliances, necessary or proper for performing and completing the Work herein required in the manner and within the time herein specified. The mention of any specific duty or liability of Contractor shall not be construed as a limitation or restriction of any general liability or duty of Contractor, and any reference to any specific duty or liability shall be construed to be solely for the purpose of explanation.

19. **INSURANCE**

During the entire term of the Contract, Contractor shall maintain the insurance coverage described in this Section 19.

Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Work performed by Contractor under this Contract. No additional compensation will be provided for Contractor’s insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

It is understood and agreed by the Contractor that its liability to the City shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Contract.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of Contractor and its subcontractors, products and completed operations

of Contractor and its subcontractors, and premises owned, leased, or used by Contractor and its subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage, and personal injury, with limits of not less than one million dollars (\$1,000,000) per accident. The policy shall provide coverage for owned, non-owned, and/or hired autos as appropriate to the operations of the Contractor.

No automobile liability insurance shall be required if Contractor completes the following certification:

“I certify that a motor vehicle will not be used in the performance of any work or services under this agreement.” \_\_\_\_\_ (Contractor initials)

- (3) Workers’ Compensation Insurance with statutory limits, and Employers’ Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers’ Compensation policy shall include a waiver of subrogation in favor of the City.

No Workers’ Compensation insurance shall be required if Contractor completes the following certification:

“I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation insurance.” \_\_\_\_\_ (Contractor initials)

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and its subcontractors; products and completed operations of Contractor and its subcontractors; and premises owned, leased, or used by Contractor and its subcontractors.
- (2) Automobile Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Contractor’s insurance coverage, including excess insurance, shall be primary insurance as respects City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by City, its officials, employees, or volunteers shall be in excess of Contractor’s insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees, or volunteers.
- (3) Coverage shall state that Contractor’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the

insurer's liability.

- (4) City will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 3 must be declared to and approved by the City in writing prior to execution of this Contract.

E. Verification of Coverage

- (1) Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the City representative named in Exhibit A. Copies of policies shall be delivered to the City on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) For all insurance policy renewals during the term of this Contract, Contractor shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento

c/o Ebix RCS

Reference #: (This number will be provided by EBIX after Contract approval.)

151 North Lyon Street

Hemet, CA 92543

Insurance certificates also may be faxed to (770) 325-3340, or e-mailed to:

[CertsOnly-Portland@ebix.com](mailto:CertsOnly-Portland@ebix.com)

- (3) The City may withdraw its offer of contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided prior to execution of this Contract. The City may withhold payments to Contractor or cancel the Contract if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

F. Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

20. FAILURE TO MAINTAIN BONDS OR INSURANCE

If, at any time during the performance of this Contract, Contractor fails to maintain any item of the bonds and/or insurance required under the Contract in full force and effect, Contractor shall immediately suspend all work under the Contract and notify City in writing of such failure. After such notice is provided, or if City discovers such failure and notifies Contractor, the City thereafter may withhold all Contract payments due or that become due until notice is received by City that such bonds and/or insurance have been restored in full force and effect and that the premiums therefor have been paid for a period satisfactory to the Division of Risk Management. Contractor shall not resume work until notified by City to do so, and the City shall have no responsibility or liability for any costs incurred by Contractor as a result of such suspension of Work.

In addition to the foregoing, any failure to maintain any item of the required bonds and/or insurance at any time during the performance of this Contract will be sufficient cause for termination of the Contract by City.

The Contractor shall be solely responsible for, and shall defend, indemnify and hold harmless the City, its officers, employees and agents against and from, any and all damages, claims, losses, actions, costs or other expenses of any kind incurred by any party as a direct or indirect result of any suspension of Work or termination of the Contract under the provisions of this Section.

## 21. EXCUSABLE DELAYS

For the purpose of these Contract Documents, the term "Excusable Delay" shall mean, and is limited to, delay caused directly by: acts of God; acts of a public enemy; fires; inclement weather as determined by the Engineer; riots; insurrections; epidemics; quarantine restrictions; strikes; lockouts; sitdowns; acts of a governmental agency; priorities or privileges established for the manufacture, assemble, or allotment of materials necessary in the Work by order, decree or otherwise of the United States or by any department, bureau, commission, committee, agent, or administrator of any legally constituted public authority; changes in the Work ordered by City insofar as they necessarily require additional time in which to complete the Work; the prevention of Contractor from commencing or prosecuting the Work because of the acts of others, excepting Contractor's subcontractors or suppliers; or the prevention of Contractor from commencing or prosecuting the Work because of a Citywide failure of public utility service.

The term "Excusable Delay" shall specifically not include: (i) any delay that could have been avoided by the exercise of care, prudence, foresight and diligence on the part of Contractor; (ii) any delay in the prosecution of any part of the Work that does not constitute a Controlling Operation, whether or not such delay is unavoidable; (iii) any reasonable delay resulting from time required by City for review of any Contractor submittals and for the making of surveys, measurements and inspection; and, (iv) any delay arising from an interruption in the prosecution of the Work on account of reasonable interference by other Contractors employed by City that does not necessarily prevent the completion of the entire Work within the time specified. Excusable Delays, if any, shall operate only to extend the Completion Date (not in excess of the period of such delay as determined by City) and shall not under any circumstances increase the amount City is required to pay Contractor except as otherwise provided in these Contract Documents.

## 22. CONTRACTOR TO SERVE NOTICE OF DELAYS

Whenever Contractor foresees any delay in the prosecution of the Work, and in any event as soon as possible (not to exceed a period of ten (10) calendar days) after the initial occurrence of any delay that Contractor regards as or may later claim to be an Excusable Delay, the Contractor shall notify the Engineer in writing of such delay and its cause, in order that the Engineer: (i) may take immediate steps to prevent if possible the occurrence or continuance of the delay; or (ii) if this cannot be done, may determine whether the delay is to be considered excusable, how long it continues, and to what extent the prosecution and completion of the Work are delayed thereby. Said written notice shall constitute an application for an extension of time only if the notice requests such an extension and sets forth the Contractor's estimate of the additional time required together with a full description of the cause of the delay relied upon.

After the completion of any part or whole of the Work, the Engineer, in estimating the amount due Contractor, will assume that any and all delays that may have occurred in its prosecution and completion were not Excusable Delays, except for such delays for which the Contractor has provided timely written notice as required herein, and that the Engineer has found to be excusable. Contractor shall not be entitled to claim Excusable Delay for any delay for which the Contractor failed to provide such timely written notice.

## 23. EXTENSION OF TIME

If the Contractor complies with Section 22, above, and the Engineer finds a delay claimed by the Contractor to be an Excusable Delay, the Contractor shall be allowed an extension of time to complete the Work that is proportional to the period of Excusable Delay determined by the Engineer, subject to the approval by City

of a change order granting such time extension. During a duly authorized extension for an Excusable Delay, City shall not charge liquidated damages against the Contractor for such delay.

If the City extends the time to complete the Work as provided herein, such extension shall in no way release any warranty or guarantee given by Contractor pursuant to the provisions of the Contract Documents, nor shall such extension of time relieve or release the sureties of the Bonds provided pursuant to the Contract Documents. By executing such Bonds, the Sureties shall be deemed to have expressly agreed to any such extension of time. The granting of any extension of time as provided herein shall in no way operate as a waiver on the part of City of its rights under this Contract, excepting only extension of the Completion Date for such period of Excusable Delay as may be determined by the Engineer and approved by a duly authorized change order.

**24. NO PAYMENT FOR DELAYS**

No damages or compensation of any kind shall be paid to Contractor or any subcontractor because of delays in the progress of the Work whether or not such delays qualify for extension of time under this Agreement; except that this provision shall not preclude the recovery of damages for a delay caused by the City that is unreasonable under the circumstances and that is not within the contemplation of the parties, provided that the Contractor timely submits all such written notice(s) and fully complies with such other procedures as may be specified in the Contract Documents or any Laws or Regulations for Contractor to claim damages for such delay.

**25. CHANGES IN THE WORK**

Changes in the Work authorized or directed in accordance with the Contract Documents and extensions of time of completion made necessary by reason thereof shall not in any way release any warranty or guarantee given by Contractor pursuant to the provisions of the Contract Documents, nor shall such changes in the Work relieve or release the Sureties on Bonds provided pursuant to the Contract Documents. By executing such Bonds, the Sureties shall be deemed to have expressly agreed to any such change in Work and to any extension of time made by reason thereof.

**26. TERMINATION AFTER COMPLETION DATE**

In addition to any other rights City may have, if any services or work required under the Contract (including but not limited to punch list items) are not completed as of the Completion Date (as adjusted by any extensions of time for Excusable Delays granted pursuant to the Contract Documents), City may terminate the Contract at any time after the Completion Date (as adjusted by any extensions of time for Excusable Delays granted pursuant to the Contract Documents), by providing a written notice to Contractor specifying the date of termination. Such notice also may specify conditions or requirements that Contractor must meet to avoid termination of the Contract on such date. If Contractor fails to fulfill all such conditions and requirements by such termination date, or, if no such conditions or requirements are specified, Contractor shall cease rendering services and performing work on such termination date, and shall not be entitled to receive any compensation for services rendered or work performed after such termination date. In the event of such termination, Contractor shall remain liable to City for liquidated damages incurred for any period of time prior to the termination date.

In addition to any other charges, withholdings or deductions authorized under the Contract or any Laws or Regulations, if City terminates the Contract pursuant to this section, City may withhold and deduct from any payment and/or retention funds otherwise due Contractor any sum necessary to pay the City's cost of completing or correcting, or contracting for the completion or correction of, any services or work under the Contract that are not completed to the satisfaction of the City or that otherwise are deficient or require correction as of such termination date, including but not limited to incomplete punch list items. Such costs shall include all of the City's direct and indirect costs incurred to complete or correct such services or work, including the City's administrative and overhead costs. If the amount of payment(s) and/or retention funds otherwise due the Contractor are insufficient to pay such costs, City shall have the right to recover the balance of such costs from the Contractor and/or its Surety(ies).

**27. TERMINATION FOR CONVENIENCE**

Upon written notice to the Contractor, the City may at any time, without cause and without prejudice to any other right or remedy of the City, elect to terminate the Contract for the convenience of City. In such case, the Contractor shall be paid (without duplication of any items, and after deduction and/or withholding of any amounts authorized to be deducted or withheld by the Contract Documents or any Laws or Regulations):

- A. For Work executed in accordance with the Contract Documents prior to the effective date of termination and determined to be acceptable by the Engineer, including fair and reasonable sums for overhead and profit on such Work;
- B. For reasonable claims, costs, losses, and damages incurred in settlement of terminated contracts with subcontractors, suppliers, and others; and
- C. For reasonable expenses directly attributable to termination.

Contractor shall not be paid for any loss of anticipated profits or revenue for any Work not performed prior to termination, nor for any economic loss arising out of or resulting from such termination, except for the payments listed in this section. Contractor's warranty under Section 14 of this Agreement shall apply, and Contractor shall remain responsible for all obligations related to such warranty, with respect to all portions of the Work performed prior to the effective date of the termination for convenience pursuant to this section. The City shall be entitled to have any or all remaining Work performed by other contractors or by any other means at any time after the effective date of a termination for convenience pursuant to this section.

## 28. TERMINATION FOR BREACH OF CONTRACT

If Contractor abandons the Work under this Contract, or if the Contract or any portion of the Contract is sublet or assigned without the consent of the City, or if the Engineer determines in the Engineer's sole discretion that the conditions of the Contract in respect to the rate of progress of the Work are not being fulfilled or any part thereof is unnecessarily delayed, or if Contractor violates or breaches, or fails to execute in good faith, any of the terms or conditions of the Contract, or if Contractor refuses or fails to supply enough properly skilled labor or materials or refuses or fails to make prompt payment to subcontractors for material or labor, or if Contractor disregards any Laws or Regulations or proper instruction or orders of the Engineer, then, notwithstanding any provision to the contrary herein, the City may give Contractor and its Sureties written notification to immediately correct the situation or the Contract shall be terminated.

In the event that such notice is given, and, in the event such situation is not corrected, or arrangements for correction satisfactory to the City are not made, within ten (10) calendar days from the date of such notice or within such other period of time as may be specified by the City in the notice, the Contract shall upon the expiration of said period cease and terminate. In the event of any such termination, City may take over the Work and prosecute the Work to completion, or otherwise, and the Contractor and its Sureties shall be liable to City for any cost occasioned City thereby, as hereinafter set forth.

In the event City completes the Work, or causes the Work to be completed, no payment of any kind shall be made to Contractor until the Work is complete. The cost of completing the Work, including but not limited to, extra costs of project administration and management incurred by City, both direct or indirect, shall be deducted from any sum then due, or that becomes due, to Contractor from City. If sums due to Contractor from City are less than the cost of completing the Work, Contractor and its Sureties shall pay City a sum equal to this difference on demand. In the event City completes the Work, and there is a sum remaining due to Contractor after City deducts the costs of completing the Work, then City shall pay such sum to Contractor. The Contractor and Contractor's Sureties shall be jointly and severally liable for all obligations imposed on Contractor hereunder.

No act by City before the Work is finally accepted, including, but not limited to, exercise of other rights under the Contract, actions at law or in equity, extensions of time, payments, assessments of liquidated damages, occupation or acceptance of any part of the Work, waiver of any prior breach of the Contract or

failure to take action pursuant to this section upon the happening of any prior default or breach of Contractor, shall be construed to be a waiver or estoppel of the City's right to act pursuant to this Section upon any subsequent event, occurrence or failure by Contractor to fulfill the terms and conditions of the Contract. The rights of City to terminate the Contract pursuant to this Section and pursuant to Sections 26 and 27 are cumulative and are in addition to all other rights of City pursuant to the Contract and at law or in equity.

29. CONTRACTOR BANKRUPT

If Contractor should commence any bankruptcy proceeding, or if Contractor is adjudged a bankrupt, or if Contractor makes any assignment for the benefit of creditors, or if a receiver is appointed on account of Contractor's insolvency, then the City may, without prejudice to any other right or remedy, terminate the Contract and complete the work by giving notice as provided in Section 28 above.

30. SURETIES' OBLIGATIONS UPON TERMINATION

If the City terminates the Contract pursuant to Section 28 or Section 29 above:

- A. The Surety under Contractor's performance bond shall be fully responsible for all of the Contractor's remaining obligations of performance under the Contract as if the Surety were a party to the Contract, including without limitation Contractor's obligations, as provided in the Contract Documents, to complete and provide a one-year warranty of the entire Work, pay liquidated damages and indemnify, defend and hold harmless City, up to the full amount of the performance bond.
- B. The Surety under Contractor's payment bond shall be fully responsible for the performance of all of the Contractor's remaining payment obligations for work, services, equipment or materials performed or provided in connection with the Work or any portion thereof, up to the full amount of the payment bond.

31. ACCOUNTING RECORDS OF CONTRACTOR

During performance of the Contract and for a period of three (3) years after completing the entire Work, Contractor shall maintain all accounting and financial records related to the Contract and performance of the Work in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the City upon reasonable written notice.

32. USE TAX REQUIREMENTS

During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

- A. Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Agreement and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.
- B. Sellers Permit: For any construction contract and any construction subcontract in the amount of \$5,000,000 or more, Contractor and the subcontractor(s) shall obtain sellers permits from the SBE and shall register the jobsite as the place of business for the purpose of allocating local sales and use tax to the City. Contractor and its subcontractors shall remit the self-accrued use tax to the SBE, and shall provide a copy of each remittance to the City.
- C. The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the date set for opposite their names.

**CONTRACTOR**

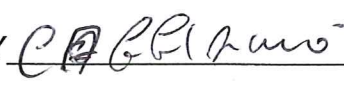
Under penalty of perjury, I certify that the taxpayer identification number and all other information provided here are correct.

DATE 3/16/2016

BY 

Salvatore Caggiano  
Print Name

President  
Title

BY 

Salvatore Caggiano  
Print Name

President  
Title

27-2668083  
Federal ID#

293-5552-6  
State ID#

159069  
City of Sacramento Business Operation Tax Certificate No. (City will not award contract until Certificate Number is obtained)

Type of Business Entity (check one):

☐ Individual/Sole Proprietor

☐ Partnership

☒ Corporation

☐ Limited Liability Company

☐ Other (please specify: \_\_\_\_\_)

**CITY OF SACRAMENTO**

a municipal corporation

DATE \_\_\_\_\_

BY \_\_\_\_\_

For: John F. Shirey, City Manager

Original Approved As To Form:

Attest:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Clerk



CITY OF SACRAMENTO  
PERFORMANCE BOND  
Department of Utilities

Bond No.: 1001062070

Premium: \$2,971.00

Premium Based on  
Final Contract Price

WHEREAS, the City of Sacramento, State of California, hereinafter called City, has conditionally awarded to

Caggiano General Engineering, Inc.  
2353 Dartmouth Place  
El Dorado Hills, CA 95672

as principal, hereinafter called Contractor, a contract for construction of:

16th Avenue Sewer Replacement, Norton Way to 28th Street  
(PN: X14130608) (B16141321023)

which contract is by reference incorporated herein and made a part hereof as if the Surety named below were a party to the contract, and is hereinafter referred to as the Contract; and

WHEREAS, under the terms of the Contract, Contractor is required to furnish a bond for the faithful performance of the Contract.

NOW, THEREFORE, we the Contractor and (here insert full name and address of Surety):

American Contractors Indemnity Company 601 S. Figueroa St., 16th Floor, Los Angeles, CA 90017  
a corporation duly authorized and admitted to transact business and issue surety bonds in the State of California, hereinafter called Surety, are held and firmly bound unto the City, as obligee, in the sum of: One Hundred Thirty-Four Thousand Five Hundred One and Twenty Cents (\$134,501.20) for the payment of which sum well and truly to be made, we the Contractor and Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally. The condition of this obligation is such that, if the Contractor, Contractor's heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and fully perform all covenants, conditions and agreements required to be kept and performed by Contractor in the Contract and any changes, additions or alterations made thereto, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meanings, and shall indemnify and save harmless the City, its officers, employees and agents, as therein provided, then the Surety's obligations under the Contract and this bond shall be null and void; otherwise they shall be and remain in full force and effect. This obligation shall remain in full force and effect through the end of the Contract warranty period, which will expire one year after the completion of work date specified in the Notice of Completion filed for the above-named project.

As part of the obligations secured hereby and in addition to the sum specified above, there shall be included all costs, expenses and fees, including attorney's fees, reasonably incurred by City in successfully enforcing such obligations, all to be taxed as costs and included in any judgment rendered.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or to the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition.

IN WITNESS WHEREOF, this instrument has been duly executed by authorized representatives of the Contractor and Surety.  
SIGNED AND SEALED on March 16, 2016.

Caggiano General Engineering Inc.

By [Signature] (Contractor) (Seal)  
Title PRESIDENT

ORIGINAL APPROVED AS TO FORM:

City Attorney

American Contractors Indemnity Company

By [Signature] (Surety) (Seal)  
Title Attorney-in-Fact, Patricia Zenizo  
Agent Name and Address Preferred Bonding & Insurance Services  
1800 McCollum St., Los Angeles, CA 90026  
Agent Phone # 323-663-7814  
Surety Phone # 310-649-0990  
California License # 0B26322  
Surety Email: afeinberg@hccsurety.com



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT****CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

County of Los Angeles )On MAR 16 2016 before me, Elisabete Salazar, Notary Public,

Date

*Here Insert Name and Title of the Officer*personally appeared Patricia Zenizo*Name(s) of Signer(s)*

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity(ies), and that by ~~his~~/her/~~their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]  
*Signature of Notary Public**Place Notary Seal Above***OPTIONAL**

*Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

☐ Corporate Officer — Title(s): \_\_\_\_\_☐ Partner — ☐ Limited ☐ General☐ Individual ☒ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

☐ Corporate Officer — Title(s): \_\_\_\_\_☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



CITY OF SACRAMENTO  
PAYMENT BOND  
Department of Utilities

Bond No.: 1001062070  
Premium: Included in Performance Bond

WHEREAS, the City of Sacramento, in the State of California, hereinafter called City, has conditionally awarded to:

Caggiano General Engineering, Inc.  
2353 Dartmouth Place  
El Dorado Hills, CA 95672

hereinafter called Contractor, a contract for construction of:

16th Avenue Sewer Replacement, Norton Way to 28th Street  
(PN: X14130608) (B16141321023)

Which contract is by reference incorporated herein and made a part hereof, and is hereinafter referred to as the Contract; and

WHEREAS, under the terms of the Contract and pursuant to Chapter 5 of Title 3 of Part 6 of Division 4 of the California Civil Code (commencing with Civil Code Section 9550), Contractor is required to furnish a good and sufficient payment bond to secure payment of the claims to which reference is made in Civil Code Section 9554.

NOW, THEREFORE, we the Contractor and (*here insert full name and address of Surety*):

American Contractors Indemnity Company 601 S. Figueroa St., 16th Floor, Los Angeles, CA 90017, a corporation duly authorized and admitted to transact business and issue surety bonds in the State of California, hereinafter called Surety, are held and firmly bound unto the City, and unto all persons or entities entitled to assert a claim against a payment bond under any of the aforesaid Civil Code provisions in the sum of One Hundred Thirty-Four Thousand Five Hundred One and Twenty Cents (\$134,501.20) on the condition that if Contractor shall fail to pay for any materials or equipment furnished or used in performance of the Contract, or for any work or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, or for any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board or the Employment Development Department from the wages of employees of the Contractor and all subcontractors with respect to such work or labor, then the Surety shall pay the same in an amount not exceeding the sum specified above. If suit is brought upon this bond, Surety shall pay, in addition to the above sum, all costs, expenses and fees, including attorney's fees, reasonably incurred by any party in successfully enforcing the obligation secured hereby, all to be taxed as costs and included in any judgment rendered. Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect, and shall bind Contractor, Surety, their heirs, executors, administrators, successors and assigns, jointly and severally.

It is hereby stipulated and agreed that this bond shall inure to the benefit of all persons, companies, corporations, political subdivisions, State agencies and other entities entitled to assert a claim against a payment bond under any of the aforesaid Civil Code provisions, so as to give a right of action to them or their assigns in any suit brought upon this bond. The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or to the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition.

IN WITNESS WHEREOF, this instrument has been duly executed by authorized representatives of the Contractor and Surety. SIGNED AND SEALED on March 16, 2016.

Caggiano General Engineering Inc.  
By [Signature] (Contractor) (Seal)  
Title President

ORIGINAL APPROVED AS TO FORM:

City Attorney

Effective 7-1-12

American Contractors Indemnity Company  
By [Signature] (Surety) (Seal)  
Title Attorney-in-Fact, Patricia Zenizo  
Agent Name and Address Preferred Bonding & Insurance Services  
1800 McCollum St., Los Angeles, CA 90026  
Agent Phone # 323-663-7814  
Surety Phone # 310-649-0990  
California License # 0B26322  
Surety Email: afeinberg@hccsurety.com

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT****CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

County of Los Angeles )On MAR 16 2018 before me, Elisabete Salazar, Notary Public,  
Date Here Insert Name and Title of the Officerpersonally appeared Patricia Zenizo  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity(ies), and that by ~~his~~/her/~~their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

☐ Corporate Officer — Title(s): \_\_\_\_\_☐ Partner — ☐ Limited ☐ General☐ Individual ☒ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

☐ Corporate Officer — Title(s): \_\_\_\_\_☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



POWER OF ATTORNEY

AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY  
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, Texas Bonding Company, an assumed name of American Contractors Indemnity Company, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

**Patricia Zenizo, Elisabete Salazar or Pietro Micciche of Los Angeles California**

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver **any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed** \*\*\*\*\*Three Million\*\*\*\*\* Dollars (\$ \*\*3,000,000.00\*\* ).

This Power of Attorney shall expire without further action on December 20, 2017. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 1st day of December, 2014.

AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY  
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

Corporate Seals



By:

  
Daniel P. Aguilar, Vice President

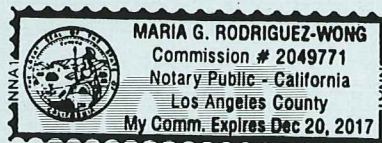
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Los Angeles SS:

On this 1st day of December, 2014, before me, Maria G. Rodriguez-Wong, a notary public, personally appeared Dan P. Aguilar, Vice President of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.  
WITNESS my hand and official seal.

Signature  (Seal)




I, Michael Chalekson, Assistant Secretary of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 16<sup>th</sup> day of March, 2016

Corporate Seals

Bond No. 1001062070  
Agency No. 3057



  
Michael Chalekson, Assistant Secretary



## Construction and Demolition (C&D) Debris Recycling Requirements

As a condition of receiving this Contract, Contractor agrees to fully comply with the requirements specified herein for all demolition projects, as well as projects with a valuation of \$250,000 or more:

1. **Definitions.** For purposes of this section, the following terms, words and phrases shall have the following meanings:

"Certified C&D sorting facility" means a facility that receives C&D debris and/or processes C&D debris into its component material types for reuse, recycling, and disposal of residuals and possesses a valid certificate as a C&D sorting facility from the Sacramento Regional County Solid Waste Authority.

"Construction and demolition debris" or "C&D debris" means used or commonly discarded materials resulting from construction, repair, remodel or demolition operations on any pavement, house, building, or other structure, or from landscaping that are not hazardous as defined in California Health and Safety Code section 25100 et seq. Such materials include, but are not limited to, concrete, asphalt, wood, metal, brick, dirt, sand, rock, gravel, plaster, glass, gypsum wallboard, cardboard and other associated packaging, roofing material, ceramic tile, carpeting, masonry, plastic pipe, trees, and other vegetative matter resulting from land clearing and landscaping.

"Divert" or "diversion" means to use materials for any purpose other than disposal in a landfill or transformation facility. Methods to divert materials include on-site reuse of the materials, delivery of materials from the project site to a certified C&D sorting facility or a recycling facility, or other methods as approved in regulations promulgated by the City Department of Utilities.

"Franchised waste hauler" means a person who possesses a valid commercial solid waste collection franchise issued by the Sacramento Regional County Solid Waste Authority.

"Mixed C&D debris" means loads that include commingled recyclable and non-recyclable C&D debris generated at a project site.

"Recyclable C&D debris" means C&D debris required to be diverted from landfills as specified in the Waste Management Plan and returned to the economic mainstream in the form of raw material for new, reused or reconstituted products that meet the quality standards necessary to be used in the marketplace.

"Recycling facility" means a facility or operation that receives, processes, and transfers source-separated recyclable materials.

"Source-separated C&D debris" means recyclable C&D debris that is separately sorted and containerized at the site of generation by individual material type and segregated from mixed C&D debris prior to collection and transporting.

"Waste log" means a record detailing the management of C&D debris generated by the covered project, including the date and weight/volume of material by type that was salvaged, reused, recycled or disposed.

2. **Waste Management Plan.** A completed WMP (see **Attachment 1**) must be submitted to and approved by the City prior to commencing any work on the project. The WMP must specify the types of C&D debris that will be generated from the project; the manner in which C&D debris will be managed and/or stored on the project site; the manner in which recyclable C&D debris generated from the project will be recycled or reuse; the person who will haul, collect or transport the recyclable C&D debris from the project site; and the certified C&D sorting facility or recycling facility where recyclable C&D debris will be delivered. The WMP must be approved by the City prior to commencing any work on the project.

3. Contractor shall be solely responsible for diverting the recyclable C&D materials specified on the WMP. Mixed C&D debris shall be delivered to a SWA-certified C&D sorting facility only. Only the permit holder, the person who generates the waste, a franchised waste hauler, or the City of Sacramento can transport or haul mixed C&D debris. Source-separated C&D debris may be delivered by any person to any recycling facility that accepts such materials. (See **Attachment 2** for list of C&D Debris Haulers and Facilities).

4. During the course of the project, Contractor shall maintain a waste log (see **Attachment 3**), and keep all weight tickets or weight receipts, for all C&D debris hauled away from the project. At a minimum, the waste log shall specify the C&D debris generated by the project; the manner in which C&D debris was recycled or re-used; and the facility where the C&D debris was delivered.

5. Within 30 days after submitting the project completion report, Contractor shall submit to the City a completed waste log, along with copies of supporting weight tickets. Contractor shall maintain and keep accurate and complete records of all bills, weight receipts or weight tickets that were issued for the collection, transport or disposal of C&D debris for a period of one-year after submittal of the waste log. The records shall be made available for inspection, examination and audit by the City during the one-year retention period to validate the information provided in the WMP and in the waste log. If the City determines noncompliance by the Contractor after an audit has been conducted, Contractor shall reimburse the City for all costs incurred in performing the audit.

6. Failure by Contractor to comply with any provisions specified herein will subject Contractor to possible suspension and/or termination of this Contract for cause; repayment of any or all of the Contract amount disbursed by the City; imposition of a penalty, payable to the City (\$50-\$250 for first offense, \$251-\$500 for second offense, and \$501-\$1500 for subsequent offenses); and/or submission of a performance security deposit fee when submitting a permit application to the City for a project within one year of imposition of the penalty.

For questions or to obtain more information about the Recycling Requirements for C&D debris, contact the City of Sacramento, Solid Waste Services Division, 2812 Meadowview Road, Building 1, Sacramento, CA 95832, or telephone (916) 808-4833, or email [C&D@cityofsacramento.org](mailto:C&D@cityofsacramento.org)

# C&D Debris Waste Management Plan

C&D Debris Waste Management Plan  
City of Sacramento Solid Waste Services  
2812 Meadowview Road, Building 1  
Sacramento, CA 95832  
Phone: (916) 808-4839 / Fax: (916) 808-4999  
C&D@cityofsacramento.org

Form  
submitted by:

Please attach a business card, or put your name with a phone number and/or an email address.

This Waste Management Plan (WMP) must be submitted and approved before work can begin. Only one WMP is required for each public construction project. The administration fee and, if applicable, a security deposit must be submitted with this form to be approved. Administration fee is 0.04% of project bid amount (min \$40, max \$800); security deposit, if applicable, is 1% of bid amount (max \$10,000). The accompanying Waste Log must be submitted within 30 days of the project completion report, or a penalty may be imposed.

## A. Building Project Information:

Job Address: 16th Ave., Sacramento, CA  
Contractor: Caggiano General Engineering, Inc.  
Address: 3941 Park Drive, STE.20-347

Engineering  
Estimate: \_\_\_\_\_  
Phone: 916-501-0611  
Email: caggiano93@hotmail.com

## B. Briefly describe the project:

Sewer Replacement

## C. Materials Required to be Recycled

**50% of all debris must be recycled** if generated during the course of your project. You can either **source-separate** them, which may be hauled by anyone, or mix them in one container and send the **mixed C&D debris** load to a **Certified Mixed C&D Sorting Facility**. Mixed C&D loads can only be hauled by a franchised hauler or self-hauled. Please see the Definitions section, on the next page, for more information.

**50%**  
of all debris  
must be recycled

## D. Material Management.

1. How will C&D debris will be stored on the project site: \_\_\_\_\_ Mixed C&D \_\_\_\_\_ Source-Separated
2. Company to haul away debris: \_\_\_\_\_
3. Facilities to receive debris: \_\_\_\_\_



# C&D Debris Waste Management Plan

C&D Debris Waste Management Plan  
City of Sacramento Solid Waste Services  
2812 Meadowview Road, Building 1  
Sacramento, CA 95832  
Phone: (916) 808-4839 / Fax: (916) 808-4999  
C&D@cityofsacramento.org

## E. Definitions.

Please read and understand these terms. Call Solid Waste at (916) 808-4833 if these terms are not clear to you. More information is also available online at <http://www.cityofsacramento.org/utilities/>.

1. **Self-haul or self-hauling:** This is when the general contractor or a subcontractor who is doing work on the project hauls their own waste materials for recycling or disposal. Note that a jobsite cleanup crew is not doing other work on the project and is not self-hauling. Jobsite cleanup crews need to be franchised in order to haul mixed C&D debris away.
2. **Franchised hauler:** Check the Department of Utilities (DOU) website for a list of these haulers. Only these companies and the City of Sacramento can collect and haul mixed C&D debris generated within the City for a fee.
3. **Source separation:** This means keeping wood, metal, cardboard, or other recyclables in separate containers, and sending the materials to an authorized recycler. A list of authorized recyclers can be found on the DOU web site. Source-separated materials may be hauled by anyone.
4. **Mixed C&D debris:** This means putting all recyclable debris into one container. Mixed materials must be sent to a certified mixed C&D sorting facility. Mixed materials may be either self-hauled or hauled by a franchised hauler. If your job site is crowded, this option saves the most space.
5. **Certified Mixed C&D Sorting Facility:** See the DOU web site for a list. These facilities have been certified by the Sacramento Regional Solid Waste Authority (SWA) to extract recyclable materials from mixed C&D debris.

## F. Terms and Conditions

- Your approved Waste Management Plan and Waste Log must be kept on the job site for the duration of the project.
- City of Sacramento Solid Waste Services staff may enter the jobsite to inspect waste collection areas.
- **ALL Clean Wood Waste** (unpainted, untreated lumber, plywood and OSB), **Inert Materials** (concrete, asphalt paving, brick, block, and dirt), **Wooden Pallets**, **Scrap Metal**, and **Corrugated Cardboard** must be recycled.
- Only SWA-Certified Mixed C&D Sorting Facilities may be used to recycle these materials if mixed with other materials.
- Only the City of Sacramento, SWA-Franchised Haulers, or self-haulers (as defined above) may collect and transport mixed C&D material from the jobsite.
- C&D Debris may not be burned or dumped illegally.
- Your Waste Log must be completed and submitted, with supporting weight tickets, within 30 days of submitting your project completion report. All waste hauling and disposal or recycling activity must be entered on the Waste Log, including information from any subcontractors who self-hauled their own debris off-site.
- You must keep all receipts or weight-tickets from your project for a period of one year from the submittal of your waste log.
- Failure to comply with these terms and conditions may result in a fine and payment of a security deposit on future projects

# C&D Debris Haulers & Facilities

C&D Debris Waste Management Plan  
City of Sacramento Solid Waste Services  
2812 Meadowview Road, Building 1  
Sacramento, CA 95832  
Phone: (916) 808-4833 / Fax: (916) 808-4999  
C&D@cityofsacramento.org

## Certified Mixed C&D Facilities

Allied Waste / Elder Creek Transfer and Recovery	(916) 387-8425
Florin-Perkins Public Disposal	(916) 443-5120
L&D Landfill	(916) 737-8640
Waste Management / K&M Recycle America	(916) 452-0142

## Franchised Haulers

ACES Waste Services, Inc.	(866) 488-8837	Elk Grove Waste Management, LLC	(916) 689-4052
Allied Waste Services	(916) 631-0600	Mini Drops, Inc.	(916) 686-8785
All Waste Systems, Inc.	(916) 456-1555	Norcal Waste Services of Sacramento	(916) 381-5300
Atlas Disposal Industries, LLC	(916) 455-2800	North West Recyclers	(916) 686-8575
California Waste Recovery Systems	(916) 441-1985	Waste Management of Sacramento	(916) 387-1400
Central Valley Waste Services, Inc.	(209) 369-8274	Waste Removal & Recycling	(916) 453-1400
City of Sacramento Solid Waste	(916) 808-4839	Western Strategic Materials, Inc.	(916) 388-1076

## Recyclers\*

Bell Marine	(916) 442-9089
C & C Paper Recycling	(916) 920-2673
EBI Aggregates	(916) 372-7580
International Paper	(916) 371-4634
Modern Waste Solutions	(916) 447-6800
PRIDE Industries, Inc.	(916) 640-1300
Recycling Industries, Inc.	(916) 452-3961
Sacramento Local Conservation Corps	(916) 386-8394
Smurfit-Stone Container Corporation	(916) 381-3340
Southside Art Center	(916) 387-8080
Spencer Building Maintenance, Inc.	(916) 922-1900

## Recovery Stations & Landfills

Elder Creek Recovery & Transfer Station	(916) 387-8425
Kiefer Landfill	(916) 875-5555
L & D Landfill	(916) 383-9420
North Area Recovery Station	(916) 875-5555
Sacramento Recycling & Transfer Station	(916) 379-0500
Waste Management Recycle America	(916) 452-0142

More updated information can be found online at:

<http://www.cityofsacramento.org/utilities/>

\* Please note that any facility may receive source-separated recyclable materials as long as it is authorized to do so by the State of California. This is not meant to be a complete list.

# C&D Debris Waste Log

C&D Debris Waste Management Plan  
City of Sacramento Solid Waste Services  
2812 Meadowview Road, Building 1  
Sacramento, CA 95832  
Phone: (916) 808-4839 / Fax: (916) 808-4999  
C&D@cityofsacramento.org

Project address: \_\_\_\_\_

This waste log, and copies of supporting weight tickets, must be submitted to Solid Waste within 30 days of submitting the project completion report. The waste log and weight tickets must also be kept on file for one year after project completion.

Date	Hauler	Material	Destination	Amount
↓	↓	↓	↓	↓
↓	↓	↓	↓	↓
↓	↓	↓	↓	↓
↓	↓	↓	↓	↓
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↓	↓	↓	↓	↓
↓	↓	↓	↓	↓

**Hauler:** Indicate the Franchisee, Self-Hauler, City of Sacramento, or other hauler who removed the material offsite.

**Material:** Indicate appropriate category: Scrap Metal, Inert Materials, Cardboard, Wooden Pallets, or Clean Wood Waste.

**Destination:** Indicate the facility that received the material for disposal or recycling

**Amount:** Indicate the weight. If weight is not known, put volume.



## Request for Taxpayer Identification Number and Certification

Give Form to the  
requester. Do not  
send to the IRS.

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>Caggiano General Engineering, Inc.</b>	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ <b>Note.</b> For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶	
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ (Applies to accounts maintained outside the U.S.)	
	5 Address (number, street, and apt. or suite no.) <b>3941 Park Drive STE. 20-347</b>	Requester's name and address (optional)
	6 City, state, and ZIP code <b>El Dorado Hills, CA 95762</b>	
	7 List account number(s) here (optional)	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number								
			-				-	
or								
Employer identification number								
2	7	-	2	6	6	8	0	8

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶ <b>3-16-16</b>
--------------	-------------------------------	-----------------------

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at [www.irs.gov/fv9](http://www.irs.gov/fv9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.



## 2016 Withholding Exemption Certificate

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The payee completes this form and submits it to the withholding agent. The withholding agent keeps this form with their records.

## Withholding Agent

Name

City of Sacramento

## Payee

Name

Caggiano General Engineering, Inc.

☐ SSN or ITIN ☒ FEIN ☐ CA Corp no. ☐ CA SOS file no.

27-2668083

Address (apt./ste., room, P.O. box, or F.M.B. no.)

3941 Park Drive, STE.20-347

City (if you have a foreign address, see instructions.)

El Dorado Hills

State

CA

ZIP code

95762

## Exemption Reason

Check only one reason box below that applies to the payee.

By checking the appropriate box below, the payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

☐ Individuals — Certification of Residency:

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

☒ Corporations:

The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

☐ Partnerships or Limited Liability Companies (LLCs):

The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

☐ Tax-Exempt Entities:

The entity is exempt from tax under California Revenue and Taxation Code (R&amp;TC) Section 23701 \_\_\_\_\_ (insert letter) or Internal Revenue Code Section 501(c) \_\_\_\_\_ (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

☐ Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit-Sharing Plans:

The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

☐ California Trusts:

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.

☐ Estates — Certification of Residency of Deceased Person:

I am the executor of the above-named person's estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.

☐ Nonmilitary Spouse of a Military Servicemember:

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

## CERTIFICATE OF PAYEE: Payee must complete and sign below.

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to [ftb.ca.gov](http://ftb.ca.gov) and search for privacy notice. To request this notice by mail, call 800.852.5711.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Type or print payee's name and title Salvatore Caggiano, PresidentTelephone (916) 501-0611

Payee's signature ▶

Date 3-16-16

## **CALIFORNIA LABOR CODE RELATING TO APPRENTICES ON PUBLIC WORKS PROJECTS**

See following links: [www.dir.ca.gov](http://www.dir.ca.gov) and/or [www.leginfo.ca.gov](http://www.leginfo.ca.gov)

<http://www.dir.ca.gov/dlse/dlsePublicWorks.html>

## **SPECIAL PROVISIONS**

## **SPECIAL PROVISIONS**

### **SECTION 1 – GENERAL CONSTRUCTION REQUIREMENTS**

#### **1.01 Scope of Work**

These Special Provisions cover the replacement of active sewer pipelines, manholes, services, ancillary features and all associated work. All work shall be performed in accordance with the latest version of the City of Sacramento Standard Specifications for Public Construction, aka the "Standard Specifications", except as modified herein. Contractor shall provide all labor, materials, tools, equipment, and incidentals, and shall perform all work necessary to complete the subject project in place and make all required connections to the existing piping systems as shown on the Plans and as specified herein.

#### **1.02 Shop Drawings & Submittals**

In general accordance with Section 5-7 of the Standard Specifications, Contractor shall prepare and submit for review one e-mailed electronic pdf copy (unless noted otherwise) of the following shop drawings and submittals:

1. Construction schedule
2. Concrete and asphalt concrete mix designs
3. Record drawings (upon completion of work)
4. Traffic control plans
5. Water quality control plan
6. Proposed pipe material and fittings
7. Flow control plan
8. Public notification plan
9. Manhole precast sections and covers
10. CCTV Inspection DVD and associated reports
11. Excavation Shoring Permit

Contractor is advised that at the Engineer's discretion, the above list may be expanded to include additional items to which Section 5-7 of the Standard Specifications will apply. Contractor shall keep one copy of the approved Traffic Control Plan, and Water Quality Control Plan at the construction site at all times.

#### **1.03 Project Signs**

Prior to beginning any onsite work the contractor shall install two project signs. The signs, each approximately 30-inches tall by 54-inches wide, shall be supplied by the City. Location and height of sign installation shall be as directed by the Engineer. In general, install each sign near the project ends on single posts, with bottom of the sign a minimum of seven (7) feet above surrounding grade, and with the sign panel facing traffic. If acceptable to the Engineer, existing sign posts may be used; otherwise, Contractor shall install new posts. Each sign and post installed by the Contractor shall be removed at the end of the project and the sign returned to the City.



#### **1.04 Project Schedule**

Contractor shall submit a detailed schedule showing all items of work at least ten (10) days prior to initiating onsite construction. The schedule shall be submitted, reviewed and updated in accordance with Section 7-2 of the Standard Specifications. Schedule weekend work in accordance with Section 7-4 of the Standard Specifications.

#### **1.05 Materials and Equipment**

Contractor is responsible for the care and protection of all materials and equipment until the completion and final acceptance of the work, in accordance with Sections 5-15 thru 5-18, 5-21, and 5-22 of the Standard Specifications. *PVC pipe manufactured by JM Pipe or PW Eagle Pipe will not be allowed.*

#### **1.06 Administrative Penalties**

City Code Chapter 12.20 establishes administrative penalties for non-compliance with minimum requirements relating to construction activities within the City right of way. Contractor may be assessed an administrative penalty for each violation of any provision addressed by the ordinance, and amounts can be deducted from the Contract. The ordinance includes the following general categories:

Working hours	Public safety and convenience
Traffic control plans	Repair of traffic control systems
Access to private property	Care of existing facilities
Construction area maintenance	Public notification
Maintenance of traffic	Noise levels

Copies of the ordinance are available from the City Clerk's Office, 915 I Street, Sacramento, CA. 95814, and at <http://www.qcode.us/codes/sacramento/>

### **1.07 Water Quality Control**

Contractor shall comply with Section 16 of the Standard Specifications. Prepare and submit an erosion, sediment and pollution control plan (ESC Plan) to the Engineer for review a minimum of 48 hours prior to start of the work. Contractor shall not begin work until an accepted ESC Plan is on file with the Engineer.

### **1.08 Daily Coordination Requirements**

In addition to other responsibilities of the Contractor and the Contractor's Superintendent as detailed in Section 5-4 of the Standard Specifications, the Contractor's Superintendent or other Contractor representative as approved by City shall meet with City's representative(s) at the job site each working day, once each morning and once each afternoon, for a total of approximately one (1) hour per working day. The purpose of such meetings shall be to maintain close coordination between City and Contractor throughout performance of the Contract, and to address matters including, but not limited to: reviewing the current work day's schedule, updating the City representative on the current working day's completed work, communicating customer notifications, abandonments, service connections completed that day, job walks as required by the City representative to rectify anomalies, identify work scheduled for the next working day, and review USA markings.

### **1.09 Project Closeout**

When the project is completed in accordance with the Plans and Specifications, Contractor shall notify the Engineer of the completion of the project at which time City will prepare a list of deficient work items, or punch list. After all punch list items have been completed to the satisfaction of the Engineer, and as-built drawings are completed and submitted, a completion report will be prepared in accordance with Section 8-4 of the Standard Specifications.

### **1.10 Payment**

Full compensation for furnishing all labor, materials, tools, equipment and incidentals and for doing all work involved in performing and complying with the project's General Requirements (Special Provision Sections 1 thru 3) shall be considered as included in the prices paid for the various contract bid items, and no additional compensation will be allowed therefor.

**\*\*END OF SECTION\*\***

## **SECTION 2– PUBLIC CONVENIENCE & PROTECTION OF EXISTING CONDITIONS**

### **2.01 Public Right-of-Way and Easements**

All pipe and appurtenances constructed as part of this project are to be placed within public street rights-of-way and easements. Contractor shall confine his or her operations within the limits of existing street right-of-way or easements as much as practicable.

In the event the Contract requirements necessitate the Contractor to encroach onto adjoining private property, Contractor shall make all necessary arrangements with the owner of the property for such encroachment. A copy of any written agreements entered into between the Contractor and property owners concerning encroachment onto private property shall be provided to the Engineer prior to beginning any work on the subject property.

### **2.02 Existing Facilities**

Protection and maintenance of existing utilities shall conform to Section 13 of the Standard Specifications and these Special Provisions.

The location, alignment, and depth of existing underground utilities as shown on the Plans are taken from public records and no responsibility is assumed for the accuracy thereof. For the most part, underground utility services are not shown on the Plans. Attention is directed to the provisions in Section 6-19 of the Standard Specifications.

Contractor shall insure that utility services to customers in the project are maintained.

All costs for relocating existing overhead and/or underground utilities not specified on the Plans to be relocated, but are relocated or cut and reconnected at the Contractor's choice, shall be borne by the Contractor.

### **2.03 Existing Site Conditions**

Bidders are directed to Section 2-4 of the Standard Specifications which require Bidders to examine the project site.

### **2.04 Handling and Removal of Hazardous or Contaminated Materials**

In the event hazardous or contaminated materials are encountered at the site for which separate handling or removal provisions have not been made in these Special Provisions, the Contractor shall stop work on that item, contact the Engineer and schedule his operations to work elsewhere on the site, if possible. The City will be responsible for handling and removal of hazardous material or may request that the Contractor be made available, through contract change order, to provide additional services as needed for the completion of the work. Additional services may consist of retaining a subcontractor who possesses a California license for hazardous substance removal and remedial actions.

Hazardous or contaminated materials may only be removed and disposed of from the project site in accordance with the following provisions:

1. All work is to be completed in accordance with the following regulations and requirements:
  - a. Chapter 6.5, Division 20, California Health and Safety Code.
  - b. California Administration Code, Title 22, relating to Handling, Storage, and Treatment of Hazardous Materials.
  - c. City of Sacramento Building Code and the Uniform Building Code, 1994 edition.
2. Coordination shall be made with the County of Sacramento Environmental Management Department, Hazardous Materials Division, and the necessary applications shall be filed.
3. All hazardous materials shall be disposed of at an approved disposal site and shall only be hauled by a current California registered hazardous waste hauler using correct manifesting procedures and vehicles displaying a current Certificate of Compliance. The Contractor shall identify by name and address the site where toxic substances shall be disposed of. No payment for removal and disposal services shall be made without a valid certificate from the approved disposal site that the material was delivered.

None of the aforementioned provisions shall be construed to relieve the Contractor from the Contractor's responsibility for the health and safety of all persons (including employees) and from the protection of property during the performance of the work. This requirement shall be applied continuously and not be limited to normal working hours.

## **2.05 Health and Safety**

Contractor is warned that existing sewers and appurtenances have been exposed to sewage and industrial wastes, and may carry flammable liquids. Conform to Standard Specification Section 26-3.

## **2.06 Public Notification of Work**

Contractor shall notify property owners, rental property management companies, and/or tenants adjacent to the project limits in writing at least seven (7) working days in advance of beginning work. Notices shall be approved by the Engineer and shall describe the work to be performed, the anticipated duration of construction and the name and telephone number of the Contractor's representative that can be reached 24 hours a day, seven (7) days a week. See sample notification letters in Appendix B.

Specific timed notices shall include the following:

- Notify seven (7) working days prior to commencing any work.
- In the event Contractor returns to a public right of way for additional work after an absence of more than fourteen (14) calendar days, then property owners and residents affected by work shall be re-notified two (2) working days prior to resuming work.

## **2.07 Maintenance of Traffic, Public Safety, and Convenience**

Contractor's attention is directed to Sections 6-6 through 6-11, 7-4 and 16-3 of the Standard Specifications. **Contractor will not be allowed to begin onsite work until an approved**

**traffic control plan is on file with the Engineer.** In addition, approved traffic control plans shall be kept on hand at the project site at all times while construction is in progress.

Contractor will ensure that utility services to customers in the project are maintained, and work shall be performed in accordance with the following requirements applicable to all streets:

1. The Contractor shall not cause public rights-of-way, public property or public easement to be covered with construction related trash, debris, garbage, waste material or soil. Areas affected by the construction, must be cleaned to the satisfaction of the Engineer prior to re-opening to the public.
2. Project materials and equipment shall not be stockpiled within the public street right-of-way in excess of an amount representing a ten (10) day supply at current rates of pipe laying or related construction. Equipment and materials shall not front any single address in excess of ten (10) days unless otherwise accepted by the Engineer.
3. Stockpiles within the public right-of-way shall be no higher than 6 ft in height, and shall not impede vehicular traffic, pedestrian traffic, access to residences, or drainage along the curb line. Should stockpiling of materials within the public right-of-way prove to be a nuisance to adjacent residents, the materials and/or equipment shall be moved within two (2) working days following direction by the Engineer.
4. Trench plates shall not be utilized for more than three (3) calendar days in one location and temporary surfacing shall not be utilized for more than five (5) calendar days in one location without prior written approval of the Engineer.
5. The Contractor shall provide access to all existing driveways at all times except when excavation is in progress, when forms are in place, when concrete or asphalt is being placed or unless other arrangements are made with the property owner. The Contractor shall take precautions so as not to entrap vehicles on private property during the progress of the work. Driveways may be closed only during normal working hours and only after giving property owners a minimum of twenty-four (24) hours' notice in advance of the closure. Access for emergency vehicles shall be available on all streets within the construction area at all times.
6. Rear access to buildings and existing parking areas behind buildings shall be maintained. If arrangements have been made with property owners, the Contractor may close such access for a limited time. Contractor shall give property owners forty-eight (48) hours' notice in advance of the closure.
7. Provide for pedestrian traffic at all times except where closures are approved in advance by the Engineer.
8. At least one (1) lane of traffic shall be maintained open at all times in the street. All work within public streets and/or roadway right-of-way shall be done in an expeditious manner so as to cause as little inconvenience to the traveling public as possible.
9. Work hours shall be between the hours of 7 a.m. and 6 p.m. Monday through Friday, excluding legal holidays unless otherwise directed or approved. No work shall be done on Saturdays, Sundays or legal holidays, except as described in Section 7-4 of the Standard Specifications and as approved by the Engineer.

10. At times when work is not in progress, all lanes shall be open to the public for vehicular traffic. Skid-resistant steel plates or other approved methods shall be used to cover all open excavations in the roadway(s) during non-working hours.

All signs and street marking damage caused by or related to the construction of this project shall be replaced in kind by the Contractor. In the case of partial damage to lane stripes and traffic lettering the whole stripe or marking in its entirety shall be replaced. Temporary markings and striping shall be installed within 72 hours (three working days) of damage.

Prior to commencing work and/or closing the street or alley, Contractor shall contact the following City Divisions and agencies:

1. Police Communication Center, one (1) working day prior to closure, by calling 264-5471.
2. Fire Department Communications Center one (1) working day prior to closure by calling 228-3035 or fax at 228-3082.
3. City Traffic Engineering Services five (5) working days prior to closure by calling 808-5307.
4. City Solid Waste Division five (5) working days prior to closure by calling 808-4952 or fax at 808-4999. The Contractor shall also coordinate with the property owners all relocations of trash receptacles necessary to maintain garbage collection.
5. Street Parking five (5) working days prior to closure by calling 808-5579 or fax at 808-7501.
6. Regional Transit five (5) working days prior to closure by calling Lynn Cain at 321-5375 or fax at 557-4541.

At a minimum, the following information shall be provided:

Project name and number	City Inspector's Name and phone number
Contractor's name and 24-hr phone number	Limits of street closure, with street names
City project manager's name	Duration of street closure

## **2.08 Removal of Street Parking**

In locations where Contractor's operations require removal of on-street parking, such removal shall be in accordance with Section 6-18 of the Standard Specifications. Failure to comply with this section will prevent City from towing vehicles parked in the proposed work area.

**\*\*END OF SECTION\*\***

## **SECTION 3 – GENERAL SEWER CONSTRUCTION REQUIREMENTS**

### **3.01 Trench Excavation, Shoring, Sheet piling, Bracing, and Backfill**

Trench excavation and backfill in all streets shall meet the applicable requirements of Sections 10, 14, 26 and detail T-80 of the Standard Specifications. If specified in these Special Provisions, or so directed by the Engineer, pipe shall be backfilled with Controlled Density Fill (CDF) in accordance with Section 10-16 of the Standard Specifications.

Contractor is hereby alerted that 2 inch diameter high pressure gas mains are located in 16<sup>th</sup> Avenue, Norton Way and 28<sup>th</sup> Street as shown on the Plans. When working near (within 5 feet) or crossing gas mains, Contractor shall comply with all PG&E requirements, which may include temporarily supporting the gas mains and/or using hand or vacuum excavations for placement of the proposed pipe. Contractor shall contact PG&E by calling (916) 386-5153 and submit plans and details as requested by PG&E for written approval prior to working near the gas mains. A copy of the written approval shall be provided to the Engineer prior to working near the gas mains.

### **3.02 Pavement Cutting and Surface Restoration**

Pavement cutting and surface restoration shall conform to the applicable provisions of Section 26-11 of the Standard Specifications and these Special Provisions. Contractor shall restore surfaces in kind (using the same surface material as existing) unless otherwise noted on the Plans or within these Special Provisions. The costs for performing pavement cutting and surface restoration, unless otherwise stated in these Special Provisions, should be included in the costs of the associated item of work that requires excavation. No separate payment will be made for surface restoration.

If trenches cross sidewalks, curb, and/or gutter, Contractor shall replace entire sidewalk panel to nearest control or expansion joint on both sides of trench wall. Extent of curb and gutter replacement shall coincide with sidewalk panel being replaced. Pavement cutting shall be perpendicular and parallel to the centerline of the road when practicable.

### **3.03 Temporary Paving**

Temporary paving shall be in accordance with Section 14-4 of the Standard Specifications.

### **3.04 Closed Circuit Television Inspection of Sewer Pipes**

All sewer pipes 6-inches and larger installed under this contract shall be inspected by the Contractor utilizing a remote closed circuit in-line television (CCTV) camera. CCTV inspections shall be conducted after all utilities have been installed and backfill compaction has been completed, but prior to final paving.

Before performing CCTV inspections, Contractor shall clean pipes as necessary to remove standing water and to remove solids, debris, grease, and/ or grit from the inside of the pipe between access points.

Contractor shall notify the Engineer two (2) working days in advance of the anticipated date of CCTV inspection so that the Engineer may observe the flow control, cleaning, and CCTV inspection operations.

Perform all CCTV inspection in accordance with NASSCO's Pipeline Assessment Certification

Program (PACP). CCTV inspections shall be conducted entirely in digital format and shall be recorded in MPG or AVI format written to DVD (or USB Flash Drive) and shall be compatible with the Granite XP software (version 4.6.10 or City's current version). CCTV inspection shall match within +/- 2 (two) feet of the measured linear footage along the pipe centerline, from manhole center to manhole center, or access point.

Documentation shall consist of one or more DVDs that show all features encountered during CCTV inspections. The speed of travel shall be slow enough to detect reverse slope or low spots in pipe grades and to inspect and identify each pipe joint, service connection, etc., but should not, at any time, be faster than 30 feet per minute. Position the CCTV camera in the center of the pipe to provide maximum clarity, and provide accurate distance measurements to all features. Footage measurements shall be displayed continuously on the video. Submit the DVD(s) to the Engineer for review and approval prior to pipe acceptance by the City.

Every section of pipe (manhole to manhole or access point) shall be identified at the beginning of each video. Information to display shall include: project name, street name, City manhole numbers, inspector's name, pipe diameter and length, and date of inspection. In addition to inspecting the pipe, pan all manholes with the CCTV camera.

### **3.05 Maintaining Water, Sewer & Drainage Flows**

Contractor shall be responsible for maintaining sewer, water, and drainage flows, including temporary bypasses in accordance with Section 13-2 of the Standard Specifications, and these Special Provisions.

Maintaining sewer and drainage flow (flow control) is defined herein as a method or set of methods used to adjust the flow to allow for replacement, placement, repair, inspection, and maintenance of the sewer and drainage systems. This item is to be accomplished through the use of pumps to bypass flow around the work area until the work is complete.

Per Section 13 of the Standard Specifications, Contractor shall furnish all materials, labor, equipment, power, maintenance, etc. to implement the necessary flow control system and control or divert the flow around and/or through the work area for the duration of the work. The design and installation of the necessary system(s), as well as the operation of a temporary bypass pumping system shall be the Contractor's responsibility.

Contractor shall submit a flow control plan to the Engineer for approval a minimum of ten (10) working days prior to controlling flows and shall not begin onsite work until an approved plan is on file with the Engineer. As a minimum, the flow control plan shall include the following:

- a. Detailed procedures for handling peak estimated flows
- b. Schedule for controlling flow at different stages of the construction
- c. Operation plan
- d. Emergency procedures
- e. Drawing of plug(s), bypass pump and discharge pipeline locations
- f. Bypass pump sizes, capacities, numbers of each, and power requirements
- g. Bypass pipeline sizes and material types
- h. Bypass pipeline locations and/or road crossing details.



## Pumping and Bypassing

Contractor shall provide, operate and maintain a bypass pumping system provided the conditions presented herein are included in the flow control plan and implemented during construction.

- a. Contractor shall obtain approval and secure all permits for placement of temporary bypass pumping system and pipeline within public right-of-way.
- b. The Contractor shall be responsible for furnishing the necessary equipment, power, labor, and supervision to set up and operate the pumping and bypassing system in order to maintain flows and services. All equipment shall be operated in a manner to keep the pump noise to a minimum and in accordance with the City noise ordinance. Electric pumps or diesel silent pack pumps shall be used. No other type of pump will be acceptable without prior approval of the Project Engineer.
- c. Pumped flows shall be in an enclosed pipe that is adequately protected from traffic, and shall be redirected into the sewer or drainage systems or alternatively into an enclosed tank for hauling to the regional wastewater treatment plant. Dumping or free flow of sewage on private or public property, gutters, streets, sidewalks, or into storm sewers is prohibited.
- d. Bypass pumps shall be fully automatic, self-priming units that do not require use of foot valves or vacuum pumps in priming system. Pumps shall be of open impeller design with ability to pump minimum 3-inch diameter solids. Pumps shall be able to run dry for long periods of time to accommodate the cyclical nature of flows. A standby pump, one of each size, shall be available on site.
- e. Contractor shall provide the necessary stop/start controls for each pump.
- f. Contractor shall include one stand-by pump for each size to be maintained on site. Back-up pumps shall be on-line and isolated from the primary system by a valve.
- g. In order to prevent the accidental spillage of flows, all discharge systems shall be temporarily constructed of a secure, tight, leak free discharge pipe. Aluminum "irrigation" type piping or glued PVC pipe will not be allowed.
- h. Contractor shall be responsible for continuity of the sewer service to each facility connected to the section of sewer main during the execution of the work, and shall also bypass the main sewer flow around the pipe to be replaced, or into adjacent sewers
- i. The pumps and the bypass lines shall be of adequate capacity and size to handle all flows without backup to private property.
- j. Contractor shall perform leakage tests of the bypass pumping discharge piping using clean water prior to operation.
- k. Contractor shall inspect the bypass pumping system no less than once every 2 hours to ensure that the system is working correctly. Contractor shall ensure that the temporary pumping system is properly maintained and a responsible operator shall be on hand at all times when the pumps are operating.
- l. Before the bypass pumping system is dismantled, either to be moved to the next location or at the completion of the work, discharge sewage or stormwater remaining in the bypass discharge pipeline and pumping equipment into the working sewer.
- m. Upon completion of the bypass pumping operation, disturbed areas shall be cleaned and restored to a condition which is at least equal to or better than the condition which existed prior to the start of work.

- n. Substantial infiltration and inflow (I/I) has been recorded within the project area, even for low intensity rainfall events. Accordingly, all temporary plugs and the bypass pumping system shall be removed if rainfall is forecasted (over 40% probability) within 24 hours by the National Weather Service for Sacramento or if otherwise directed by the DOU.

### **Precaution and Performance Requirements**

Whenever flows in a pipeline are bypassed, sufficient precautions shall be taken to protect all sewer and drainage mains from damage that might be inflicted by excessive surcharging. Further precautions shall be taken to ensure that flow control operations do not cause flooding or damage to public or private property being served by the sewer and/or drainage system involved. The Contractor shall be responsible for damages to private or public property that may result from the flow control operations. The Contractor shall be responsible for any violations of laws, regulations or permits and shall indemnify and hold the City harmless from any and all damages, including but not limited to fines, penalties and law suits which arise from such violations.

It is essential that the sewer service have no interruption through the duration of the work. The Contractor shall provide adequate bypass pumping so that there is no interruption in the flow through the duration of the work. Therefore, the Contractor shall provide, maintain and operate all temporary facilities such as dams, plugs, pumping equipment (both primary and back-up units) as necessary to intercept the flow before it impacts the work area, carry it past the work area and return it to the existing sewer system downstream of the work. Cut or disconnected sewer services shall be replaced or repaired by 5:00 PM of the same day, and shall be constructed per Standard Drawing S-260 & S-265.

Discharge of sewage into the construction trench, private or public property, gutters, streets, sidewalks or storm drains shall not be permitted.

### **3.06 Tree Preservation Requirements**

Trees within the project area shall be protected by the following means:

1. Contractor shall hire an International Society of Arboriculture (ISA) certified arborist to do any required pruning for equipment clearance. Contractor shall also contact the City Arborist (Dan Pskowski, 768-8604) for a root inspection(s) for trenching activities within the dripline of any tree.
2. If during excavation for the project, tree roots greater than two inches in diameter are encountered, work shall stop immediately until the project arborist can perform an on-site inspection. All roots shall be cut clean and the tree affected may require supplemental irrigation/fertilization and pruning as a result of the root cutting. The project sponsor will be responsible for any costs incurred. Depending upon the amount of roots encountered and the time of year, wet burlap may be required along the sides of the trench.
3. Contractor shall be held liable for any damage to existing trees, i.e. trunk wounds, broken limbs, pouring of any deleterious materials, or concrete washout under the dripline of the trees. Damages will be assessed using the A Guide to Plant Appraisal eighth edition, published by the International Society of Arboriculture. An appraisal report shall be submitted for review by the City Arborist.

### **3.07 Archaeological Resources Discovery**

**Discovery of cultural resources.** If subsurface archaeological features or deposits, including locally darkened soil ("midden"), that could conceal cultural deposits, animal bone, obsidian and/or mortars are discovered during construction, then all work within 150 feet of the resources shall halt. Contractor and City shall consult with an archaeologist certified by the Society of Professional Archeologists (SOPA), or one who meets the federal standards in the Code of Federal Regulations (36 CFR 61) to assess the significance of the find. Archaeological test excavations shall be conducted by the archaeologist to aid in determining the nature of the find. If the find is determined to be significant by the archaeologist, representatives of the City and the archaeologist shall coordinate to determine the appropriate course of action. All significant cultural materials recovered shall be subject to scientific analysis and professional museum curation. In addition, a report shall be prepared by the archaeologist according to current professional standards. Work shall be re-started only upon a notice to proceed from the City's Project Manager.

**Discovery of Native American site.** If a Native American site is discovered during construction, Contractor shall give immediate notice to the City's Project Manager, and the City's evaluation process shall include consultation with the appropriate Native American representatives. If Native American archaeological, ethnographic, or spiritual resources are involved, all identification and treatment shall be conducted by qualified archaeologists, who are certified by the Society of Professional Archeologists (SOPA) and/or meet the federal standards as stated in the Code of Federal Regulations (36 CFR 61), and Native American representatives, who are approved by the local Native American community as scholars of the cultural traditions.

In the event that no such Native American is available, persons who represent tribal governments and/or organizations in the locale in which resources could be affected shall be consulted. If historic archeological sites are involved, all identified treatment is to be carried out by qualified historical archaeologists.

**Discovery of human remains.** If a human bone or bone of unknown origin is found during construction, Contractor shall give immediate notice to City's Project Manager, all work shall stop in the vicinity of the find, and the County Coroner shall be contacted immediately. If the remains are determined to be Native American, Coroner shall notify the Native American Heritage Commission, who shall notify the person most likely believed to be a descendant. The most likely descendant shall work with the City's Project Manager and Contractor to develop a program for re-interment of the human remains and any associated artifacts. No additional work is to take place within the immediate vicinity of the find until the identified appropriate actions have taken place.

**\*\*END OF SECTION\*\***

## **SECTION 4 – ITEMS OF THE PROPOSAL**

### **Item No. 1    Preconstruction Photographs**

This item shall conform to Section 11 of the Standard Specifications except as noted here. Contractor may submit photos on a USB flash drive in lieu of a compact disc (CD). Photographs shall be taken at a maximum of fifty foot (50') intervals.

Payment for preconstruction photographs shall be at the contract lump sum price bid and shall include full compensation for furnishing all labor, materials, tools and equipment, and for performing all work necessary to complete this item.

### **Item No. 2    8-inch Sewer Pipe**

Where shown on the Plans, furnish and install VCP and/or PVC sewer pipe and fittings in accordance with the manufacturer's recommendations and these Special Provisions. Submit pipe material information for approval in accordance with Special Provisions Section 1.04.

Only one type of pipe shall be used between manholes. If more than one pipe material is proposed for this project, Contractor shall include a plan with the pipe material submittal showing where the different types will be used. Any deviation in the plan thereafter shall not be allowed unless approved in advance by the Engineer.

Contractor shall install a flexible joint in the new pipe (bell and spigot or flexible coupling) a horizontal distance of 18 inches to 24 inches from the outside wall of each manhole. Inside each manhole, unless otherwise directed or approved, fill the annular space between the new pipe OD and the flexible boot (the "Kor-N-Seal" or equal flexible connector) with grout so as to provide a smooth, crevice free, inside surface.

Remove existing sewer pipe as required to install the new pipe in accordance with Section 13 of the Standard Specifications. All removed pipe and ancillary features or portions thereof shall be disposed of offsite by the Contractor.

Contractor shall reconnect all live sewer services to the new sewer pipe. The location of sewer services shown on the Plans is diagrammatic only. Locations shown are based on previous CCTV inspections that identified sewer main connections that may or may not be live services, and that may or may not be substandard. Contractor shall differentiate between live and abandoned services after they are exposed by use of a portable CCTV or other approved means. Engineer will evaluate the in-field CCTV results to differentiate live from abandoned services. A separate payment will be made for the replacement of substandard sewer services as provided for in Item No. 5. Unless otherwise directed, abandoned services shall be cut from the main and the pipe end to remain shall be plugged.

Contractor's operations shall not result in the interruption of sewer service to any building served by the sewer main. The replacement of each sewer service shall be accomplished within the same day that work is started. Contractor shall provide, at no extra cost to the City, whatever equipment, materials, labor and services are necessary to ensure that the sewer service is maintained consistent with this requirement including, if necessary, the installation of temporary lines and/or main connections, temporary pumping equipment, and night-time or other overtime work as may be required.

When connecting a service to an existing manhole, the service shall be installed above the base of the manhole such that no alteration of the manhole base is required, unless otherwise approved by the Engineer. If the service enters a manhole near the invert of the manhole flow channel, the service shall be channelized in the manhole bench with vitrified clay pipe, shaped to provide a smooth transition into the main flow channel.

Sewer Pipe shall conform to the following:

#### Vitrified Clay Pipe (VCP)

VCP and fittings shall conform to the applicable provisions of Standard Specifications Section 10-19 and Section 26.

#### Poly Vinyl Chloride Pipe (PVC)

PVC and fittings shall conform to the applicable provisions of Standard Specifications Section 10-19 and Section 26, and these Special provisions. PVC manufactured by JM Pipe or PW Eagle Pipe will not be allowed.

For PVC pipe and fittings, the minimum pipe stiffness at 5% deflection shall be 46 PSI according to ASTM test D2412. A maximum deflection of 5% from the base I.D. will be allowed within 96 hours after placement of the backfill. A maximum deflection of 7½% from the base I.D. will be allowed within 6 months after placement of the backfill. Flexible pipe joints shall be in accordance with ASTM D3212.

If requested by the Engineer and at no additional cost, all PVC conduits shall be tested with a mandrel 5% smaller than the average inside diameter of the pipe placed no sooner than 96 hours after placement of the backfill. Mandrel tests may be performed by the City after a six (6) month period of time at which time a maximum deflection of 7-1/2% from the base I.D. will be allowed. The mandrel used shall be the PHOS PVC Sewer Pipe Deflection Gauge or other deflection gauge approved by the Engineer.

Testing of pipe for leakage, as described in Standard Specifications Section 26-10, is not required. In order to confirm proper placement, however, all new sewer pipe shall be inspected by the Contractor utilizing a CCTV camera as specified in Special Provisions Section 3.04.

Payment shall be made at the respective unit prices bid per lineal foot of each sewer main size, based on the actual footage installed when measured from center of manhole to center of manhole, which shall include full compensation for furnishing all labor, materials, tools, equipment and incidentals and for doing all work necessary to complete these items in place, including removal of existing sewers and ancillary features; making sewer pipe connections to manholes; CCTV video inspections; reconnection of live services to the new sewer pipe; plus pavement cutting and surface restoration.

### **Item No. 3    Manhole #3**

Manhole construction, unless otherwise directed by the Engineer, shall conform to Standard Specification Section 25 and Drawing No. S-70. Manhole testing will not be required.

Existing manhole components that are removed shall be disposed of offsite, except that existing frames and covers, once cleaned of all foreign material, shall be delivered to the City

of Sacramento Corp. Yard, 5730 24th Street, Attention: Sewer Superintendent. Excavation shall conform to Standard Specifications Section 14-2, Structure Excavation.

All manhole interior holes and seams shall be grouted flush using non-shrink grout such as "Metallic Grouting Compound" by Burke, "Embeco" by Master Builders, "Ferrolith-G" by Sonneborn-Desoto, or approved equal. All internal surfaces shall have a smooth, crevice free, finish, including the annular space between pipes and flexible connectors.

Install preformed plastic sealing compound between precast manhole sections. External joint rubber seals are required for this project.

Payment shall be at the unit price bid per each manhole constructed and shall include full compensation for furnishing all labor, materials, tools and equipment and for performing all work necessary to complete these items in place, including removal of existing manholes, pavement cutting, and surface restoration.

#### **Item No. 4    Substandard Sewer Service**

Substandard sewer services encountered during construction shall be replaced in accordance with the requirements of Sections 10, 26, and 38 of the Standard Specifications. Based on age of the development all existing services are anticipated to be substandard. Unless otherwise directed, substandard sewer services are existing live sewer services that are not solid wall HDPE or ABS pipe. Each replacement service shall match the existing service size. All replacement services shall be acrylonitrile-butadiene-styrene (ABS) pipe installed with a cleanout as shown on Standard Specifications, Section 38, DWG No.'s S-260 and S-265.

Replacement services shall be connected perpendicular to sewer mains using tees or insert-a-tees. Cast iron fittings will not be allowed. Under no circumstance will grouted connections be acceptable. Unless otherwise approved, Contractor shall layout replacement services and cleanouts as follows: Expose substandard service connection at main; briefly disconnect the service at main and insert a locating sonde into the service pipe; extend the sonde to determine the cleanout location behind the sidewalk in front of the facility served; then trench for and install the new service line from the cleanout location so as to be perpendicular to the new main.

The quantity of Substandard Sewer Services to be replaced that is shown on the Proposal is for bidding purposes only. The unit price paid will not be adjusted if the actual number of substandard sewer services replaced varies from the quantity shown.

Payment shall be made at the unit price bid for each substandard sewer service based on the actual number replaced, which shall include full compensation for furnishing all labor, materials, tools and equipment and for performing all work necessary to complete this item in place, including pavement cutting and surface restoration.

#### **Item No. 5    Unsuitable Material**

Whenever the trench bottom, in the opinion of the Engineer, is unsuitable as a foundation for pipe bedding, the foundation shall be treated in accordance with Sections 26-5.4 or 27-3 of the Standard Specifications as appropriate. Unsuitable material is generally defined as material the engineer determines to be:

1. Of such unstable nature as to be incapable of being compacted to specified density

- using ordinary methods at or near optimum moisture content; or
- 2. Too wet to be properly compacted and circumstances prevent processing or in-place drying prior to incorporation into the work; or
- 3. Containing visible or excessive deleterious material; or
- 4. Otherwise unsuitable for planned use.

Trench backfill shall consist of Class 2 Aggregate Base (AB) or job excavated, native soil meeting the requirements of Section 26-5 of the Standard Specifications. The use of job excavated native soil shall be at the Contractors risk. No additional compensation will be paid for hauling, stockpiling, drying, wetting or any processing of the native soil or AB required in order to achieve the minimum stability and relative compaction criteria.

Excavated unsuitable material shall be the property of the Contractor and shall be disposed of away from the project site. For offsite disposal, the Contractor shall have written permission from the owner upon whose property the disposal is to be made before any material is deposited thereon.

The quantity shown in the Proposal for this item shall be considered approximate. No guarantee is made or implied that the quantity will not be reduced, increased, or deleted as may be required by the Engineer. This item has been included in the proposal in anticipation of encountering unsuitable material during subgrade preparation. If no unsuitable material is excavated, then this item will be deleted.

Measurement for payment for excavation of unsuitable material and placement of clean crushed rock, "pit run", cobbles, Class 2 aggregate base or any approved combination thereof shall be based upon the weight of material placed less the weight of its moisture content.

Payment shall be made at the unit price bid per ton of unsuitable material, based on the actual tonnage installed, which shall include full compensation for furnishing all labor, materials, tools and equipment and for performing all work necessary to complete this item in place.

#### **Item No. 6    Unmarked Utility Crossings**

All utilities, abandoned or live, not shown on the plans that cross the excavation but do not physically conflict with installation of the Bid Proposal items shall be paid for under this item. A crossing shall be defined as any pipe, cable, conduit, or duct structure that in the opinion of the Engineer crosses the excavation within 60 degrees of a line perpendicular to the excavation. If more than one utility crosses within a 15-inch long section of the trench, then all the utilities in that cross section will be paid as one. Crossings that are more than 60 degrees from perpendicular, run parallel in the excavation or physically conflict with the installation shall be paid for on a time and material basis in accordance with section 8 of the Standard Specifications.

The quantity shown in the Proposal for this item shall be considered approximate. No guarantee is made or implied that the quantity will not be reduced, increased, or deleted as may be required. This item has been included in anticipation of encountering unmarked utility crossings during construction. If no unmarked utility crossings are encountered, then this item will be deleted.

Payment shall be made at the unit price bid per each unmarked utility crossing, based on the actual number encountered, which shall include full compensation for furnishing all labor, materials, tools and equipment and for performing all work necessary to complete this item in place.

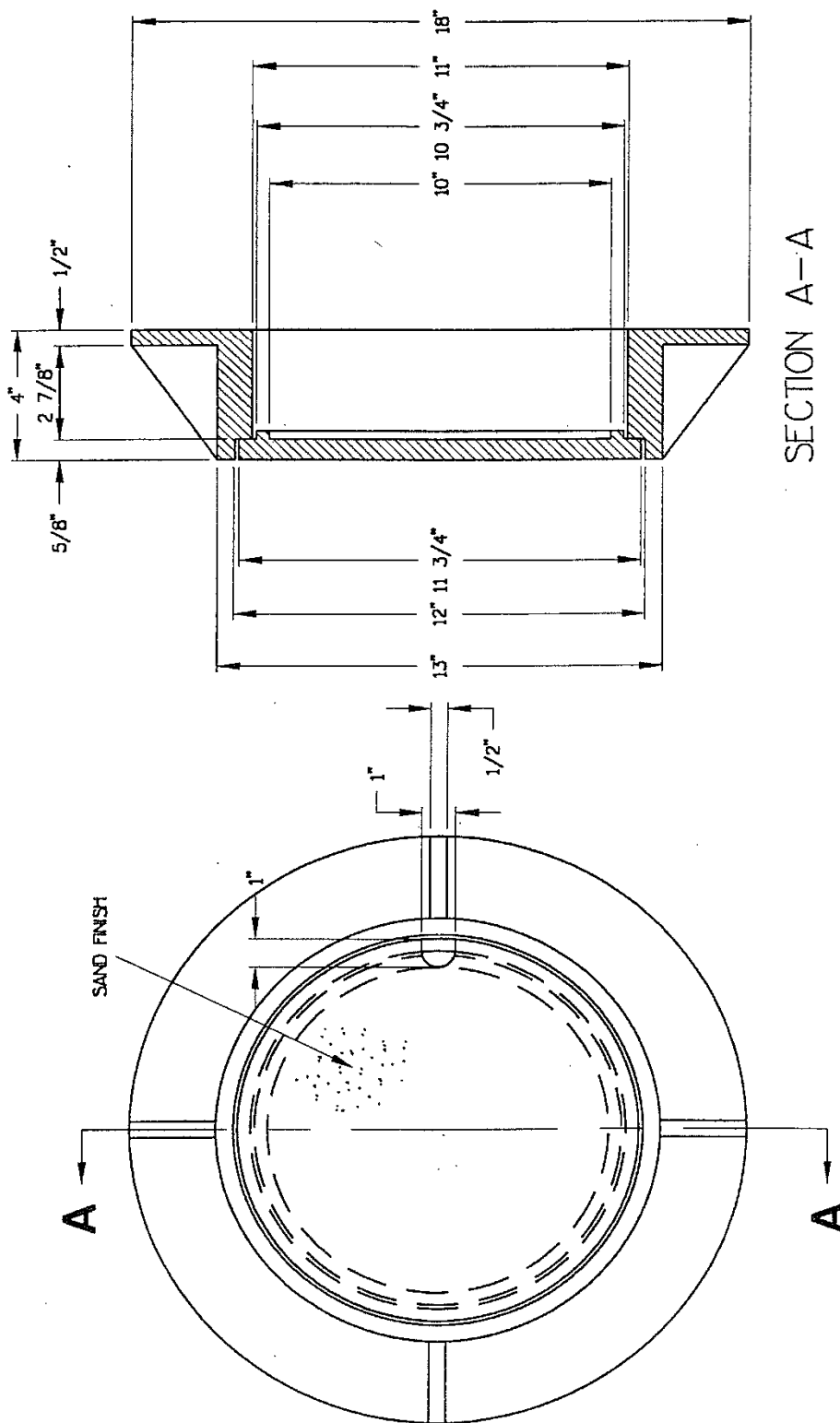
**\*\*END OF SPECIAL PROVISIONS\*\***



## APPENDIX A

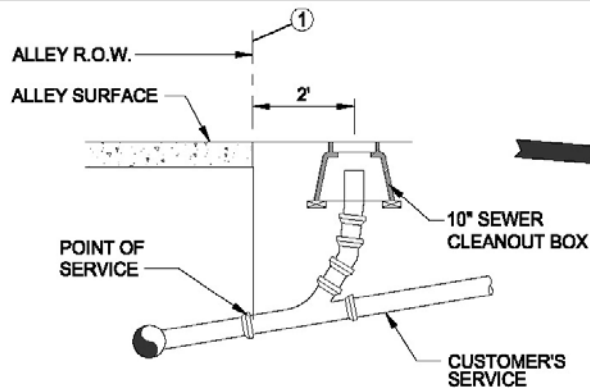
### Miscellaneous Project Details

1. Cast Iron Cleanout Assembly Detail
2. Typical Sewer Service Cleanout Locations Detail S-265
3. ABS Sewer Service Detail S-260



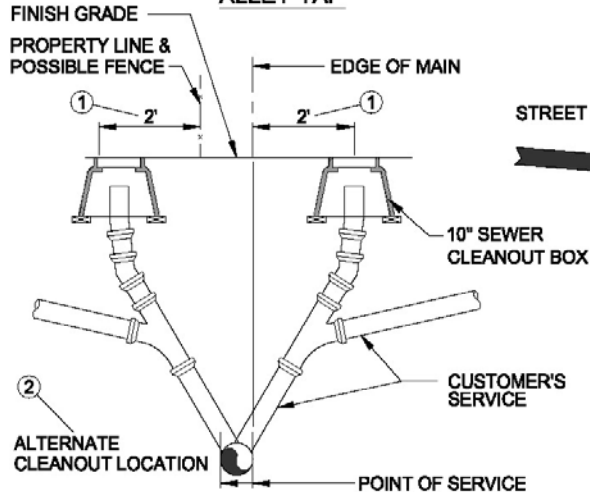
REVISION DATE: MAY 14, 1997
<b>CITY OF SACRAMENTO</b>
DEPARTMENT OF UTILITIES
APPROVED BY: R. BATHA NO SCALE
DRAWN BY: B. GRANT DWG. NO.: A-1

# CAST IRON CLEANOUT ASSEMBLY



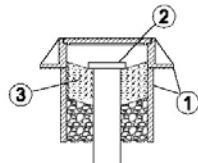
- ① IF BUILDING IS ON R.O.W. LINE, CONSTRUCT CLEANOUT WITHIN 2' OF FACE OF BUILDING. 1

#### ALLEY TAP



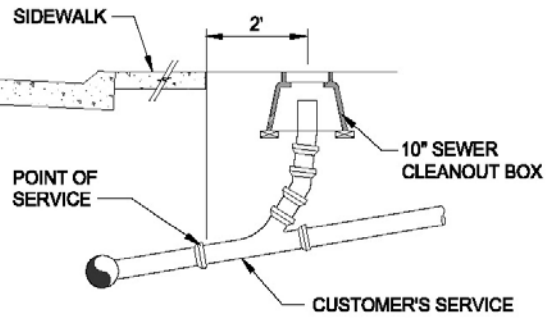
- ① WHEN APPLICABLE, ADJUST CLEANOUT LOCATION TO AVOID CONFLICT WATER MAIN. 1
- ② USE ALTERNATE CLEANOUT LOCATION WHEN MAIN IS LOCATED OUTSIDE PROPERTY LINE. 1

#### EASEMENT TAP

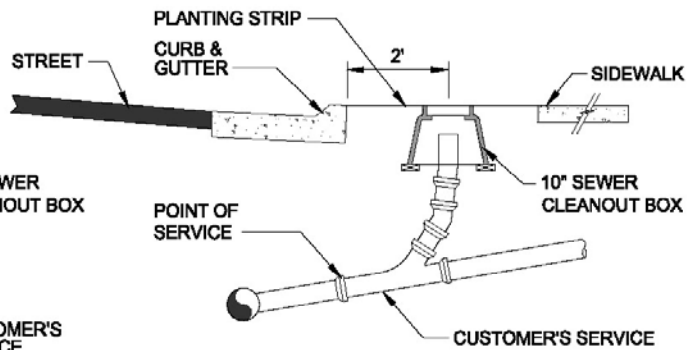


- ① CAST-IRON CLEAN-OUT AND COLLAR ASSEMBLY 4" OR 6" DIA. MECHANICAL WING NUT PLUG, CHERNE INDUST., OR APPROVED EQUAL. (PROVIDE 3" CLEARANCE BETWEEN TOP OF CAP AND BOTTOM OF COVER)
- ② GROUT 2" THICK MINIMUM, SLOPE TO TOP OF PIPE.

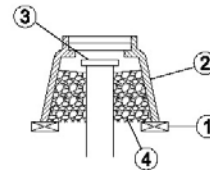
#### CAST-IRON CLEAN-OUT BOX



#### STREET TAP WITH SIDEWALK



#### STREET TAP WITH PLANTING STRIP



- ① PROVIDE 2" x 3" x 8" REDWOOD, PRESSURE TREATED OR MASONARY SUPPORT.
- ② 10" SEWER CLEAN-OUT BOX WITH LOCK BOLT FLUSH COVER (GREEN COLOR) CARSON IND. MODEL NO. 910-10 OR APPROVED EQUAL.
- ③ 4" OR 6" DIA. MECHANICAL WING NUT PLUG, CHERNE INDUST., OR APPROVED EQUAL. (PROVIDE 3" CLEARANCE BETWEEN TOP OF CAP AND BOTTOM OF COVER)
- ④ BACKFILL IN CONFORMANCE WITH SEC. 28 OF THE STD. SPECS.

#### CARSON BOX

#### NOTES:

1. CLEANOUTS LOCATED IN NON-TRAVELED WAY SHALL HAVE 10" SEWER CLEANOUT BOX WITH LOCK BOLT FLUSH COVER (GREEN COLORED). CARSON IND. MODEL No. 910-10 OR APPROVED EQUAL.
2. CLEANOUTS IN TRAVELED WAY SHALL HAVE CAST IRON CLEANOUT BOX AS SHOWN ABOVE. 1

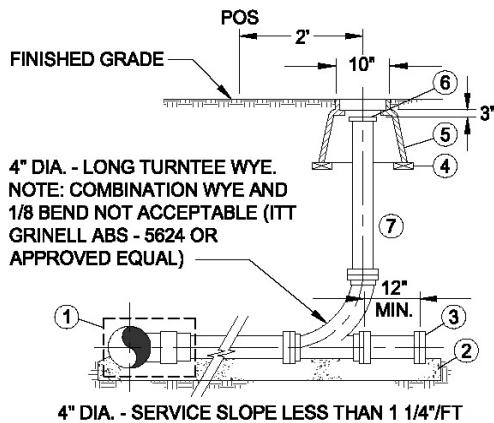
REV.	DATE	DESCRIPTION
1	03-23-09	Noted

CITY OF SACRAMENTO  
DEPARTMENT OF UTILITIES

TYPICAL SEWER SERVICE  
CLEANOUT LOCATIONS

APPR'D BY: *[Signature]* NO SCALE  
DATE: MAY 2007 DWG. NO. S - 265

R:\Utilities\City\_Std\_Details\Sewer\_Drainage\S\_265\_TypSewerService.dwg

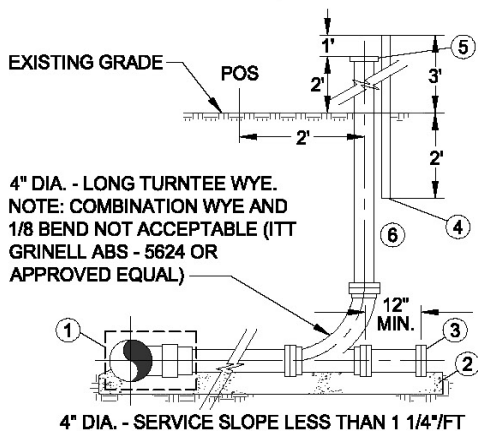



4" DIA. - LONG TURNTEE WYE.  
NOTE: COMBINATION WYE AND  
1/8 BEND NOT ACCEPTABLE (ITT  
GRINELL ABS - 5624 OR  
APPROVED EQUAL)

**4" DIA. - SERVICE SLOPE LESS THAN 1 1/4"/FT**

- ① SEE "CONNECTION DETAIL."
- ② CRUSHED ROCK BEDDING; SEE STD. SPEC., SECTION 26.
- ③ 4" OR 6" DIA. ABS SLIP CAP.
- ④ PROVIDE 2" x 3" x 8" REDWOOD, PRESSURE TREATED OR MASONRY SUPPORT.
- ⑤ 10" SEWER CLEAN-OUT BOX WITH LOCK BOLT FLUSH COVER (GREEN COLOR)  
CARSON IND. MODEL NO. 910-10 OR APPROVED EQUAL.
- ⑥ 4" OR 6" DIA. MECHANICAL WING NUT PLUG, CHERNE INDUST., OR APPROVED EQUAL SECURE WITH  
A LOOSE FIT AND PEEN END OF BOLT OR OTHERWISE SCORE THREADS TO PREVENT REMOVAL OF WING NUT.
- ⑦ BACKFILL IN CONFORMANCE WITH SEC. 26 OF THE STD. SPECS.

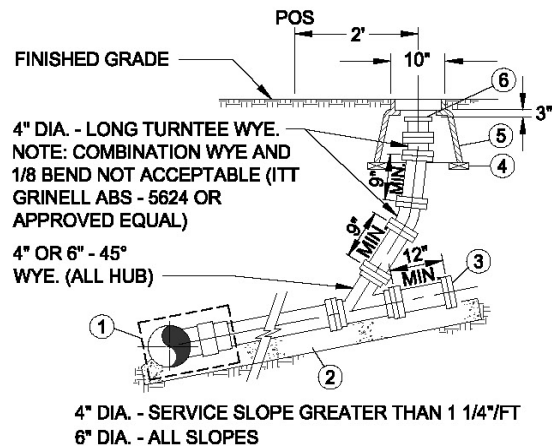
## A.B.S. SEWER SERVICE WITH CLEANOUT BOX



4" DIA. - LONG TURNTEE WYE.  
NOTE: COMBINATION WYE AND  
1/8 BEND NOT ACCEPTABLE (ITT  
GRINELL ABS - 5624 OR  
APPROVED EQUAL) 

4" DIA. - SERVICE SLOPE LESS THAN 1 1/4"/FT

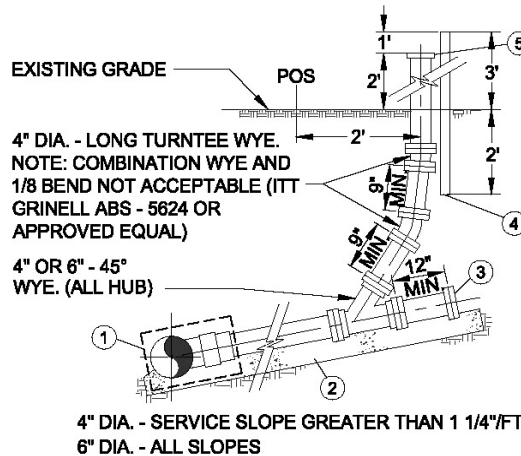
- ① SEE "CONNECTION DETAIL."
- ② CRUSHED ROCK BEDDING; SEE STD. SPEC., SECTION 26
- ③ 4" OR 6" DIA. ABS SLIP CAP.
- ④ 2" x 4" x 5' REDWOOD OR APPROVED EQUAL PAINTED GREEN ON THE TOP 12".
- ⑤ 4" OR 6" WELD-ON ABS OR APPROVED EQUAL CAP.
- ⑥ BACKFILL IN CONFORMANCE WITH SEC. 26 OF THE STD. SPECS.



4" DIA. - LONG TURNTEE WYE. —  
NOTE: COMBINATION WYE AND  
1/8 BEND NOT ACCEPTABLE (ITT  
GRINELL ABS - 5624 OR  
APPROVED EQUAL)

4" OR 6" - 45°  
WYE. (ALL HUB)

4" DIA. - SERVICE SLOPE GREATER THAN 1 1/4"/FT  
6" DIA. - ALL SLOPES

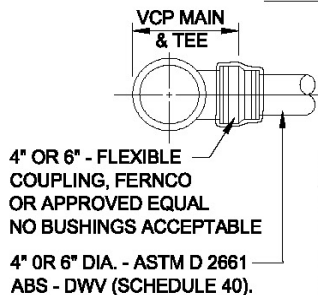


4" DIA. - LONG TURNTEE WYE.  
NOTE: COMBINATION WYE AND  
1/8 BEND NOT ACCEPTABLE (IT  
GRINELL ABS - 5624 OR  
APPROVED EQUAL)

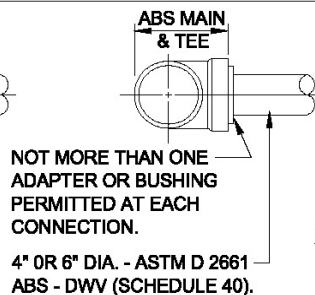
4" OR 6" - 45°  
WYE. (ALL HUB)

4" DIA. - SERVICE SLOPE GREATER THAN 1 1/4"/FT  
6" DIA. - ALL SLOPES

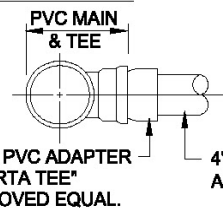
### A.B.S. SEWER SERVICE WITHOUT CLEANOUT BOX



## V.C.P. SEWER MAIN



**A.B.S. SEWER MAIN**



### P.V.C. SEWER MAIN

REV.	DATE	DESCRIPTION
△		
△		
△		

**CITY OF SACRAMENTO**  
**DEPARTMENT OF UTILITIES**

**A.B.S. SEWER SERVICE**

APPR'D BY: D. B. T. NO SCALE  
DATE: MAY 2007 DWG. NO. S - 260

## APPENDIX B

### 1. Sample Notification Letter

**Constructing Sewer Main [Distribute 5 working days prior to beginning work]**

**(CONTRACTOR LETTER HEAD)**

Dear Resident,

The City of Sacramento, Department of Utilities, awarded a construction contract to (Contractor) to replace the sewer pipeline add location here.

During the course of construction, a portion of the street will be closed to through traffic. In addition, if your garage, driveway, or parking area is accessed from the street, access may be temporarily restricted during the brief period that construction takes place in front of your driveway. At the end of each work day, the entire street will be re-opened. Our work hours are typically between 7 AM to 6 PM. In an effort to minimize driveway access delays, you may consider moving your vehicle before 7:00 a.m. when the construction crews begin work.

General public and construction crew safety is of primary concern to us and we encourage you to observe the construction signs. We realize this construction project may be a temporary inconvenience and we will strive to minimize the impacts to the residents.

**If you have any questions or problems, please contact any one of the project representatives listed below:**

**Contractor Superintendent: Name: Phone Number**

**City Inspector: Name: Phone Number**

**City Inspection Supervisor: Name: Phone Number**

**City Project Manager: Name: Phone Number**

**Pipeline work is scheduled to begin in your neighborhood on** .

**Once the pipelines are constructed, we will restore the surface of the street.** The anticipated project completion date is .

Thank you for your cooperation on this very important project.

Sincerely,

**Contractor Representative**

**Meeting Date:** 4/14/2016

**Report Type:** Consent

**Report ID:** 2016-00344

**Title: Supplemental Agreement: Department of Utilities Security Standards**

**Location:** Citywide

**Recommendation:** Pass a Motion authorizing the City Manager or the City Manager's designee to execute Supplemental Agreement No. 1 to City Agreement No. 2016-1107 with Guidepost Solutions LLC, for additional design services in an amount not-to-exceed \$51,720, bringing the agreement's total not-to-exceed amount to \$236,340.

**Contact:** Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Dave Hansen, Supervising Engineer, (916) 808-1421; Tim Weis, Project Manager, (916) 808-1428, Department of Utilities

**Presenter:** None

**Department:** Department Of Utilities

**Division:** Information Technology

**Dept ID:** 14001351

**Attachments:**

- 1-Description/Analysis
- 2-Background
- 3-Agreement

---

### **City Attorney Review**

Approved as to Form  
Joe Robinson  
4/5/2016 12:44:57 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Bill Busath - 3/24/2016 4:26:58 PM

## Description/Analysis

**Issue Detail:** Staff recommends that City Council approve a supplemental agreement with Guidepost Solutions, LLC, to perform Security System design for the McKinley Village Pump Station, Freeport Reservoir & Storage Area, Shasta Reservoir, and Operations Control Center (OCC) at the 24<sup>th</sup> Avenue Corporation Yard. These designs will continue to improve the Department of Utilities (DOU) Security Standards for all DOU facilities throughout the City.

**Policy Considerations:** The City Code requires City Council approval of the proposed supplemental agreement, which exceeds the City Manager's delegated approval authority.

**Economic Impacts:** None

**Environmental Considerations:** The Community Development Department, Environmental Planning Services Division reviewed the proposed project and determined that it is exempt from review under the California Environmental Quality Act (CEQA) under Section 15303 of the CEQA Guidelines. The project consists of the installation of limited numbers of small equipment and facilities to maintain the security of existing utility facilities.

**Sustainability:** Not applicable

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** Approval of the proposed supplemental agreement will continue to improve the DOU Security Standards by developing specific solutions for typical DOU infrastructure over both fiber optic and radio media components of the DOU Security Network.

**Financial Considerations:** On November 6, 2014, Council approved a professional services agreement with Guidepost Solutions, LLC in the not-to-exceed amount of \$184,620. Proposed supplemental agreement no. 1 is for an amount not-to-exceed \$51,720, which brings the total agreement amount to \$236,340. Sufficient funds exist in the Security and Emergency Preparedness Program project (Z14140100) to support the proposed supplemental agreement.

**Local Business Enterprise (LBE):** Guidepost Solutions, LLC is not an LBE, but meets the minimum 5% LBE participation requirement for this agreement by including a subcontracted amount of over 8.6% to an LBE, Network Management Corporation.



## **Background**

The DOU Security Standards will address access control, illumination, intrusion detection, and video surveillance to improve employee safety while discouraging vandalism and theft at DOU facilities. McKinley Village pump station is nearing construction completion and the security system design is needed to integrate the improvements into the DOU Security network over radio telemetry. Freeport Reservoir and adjacent Freeport Storage Area are existing infrastructure that, along with Shasta Reservoir (currently in the bid phase), is in need of security system improvements that will be integrated into the DOU Security Network over fiber optic cable. The DOU Security Network will be monitored at the Operations Control Center, which requires integration design to meld the video surveillance and access control software systems.

## SUPPLEMENTAL AGREEMENT

**Project Title and Job Number:** Z14140102 DOU Security Standards  
**Purchase Order #:** SACTO-0000027211

**Date:** 3/3/2016

**Supplemental Agreement No.:** 1

The City of Sacramento ("City") and Guidepost Solutions LLC ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number 2014-1107, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The scope of Services specified in Exhibit A of the Agreement is amended as follows:

See Attachment A

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased by \$51,720, and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	\$184,620
Net change by previous supplemental agreements:	0
Not-to-exceed amount prior to this supplemental agreement:	\$184,620
Increase by this supplemental agreement:	\$51,720
New not-to exceed amount including all supplemental agreements:	\$236,340


3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

**Approval Recommended By:**

**Approved As To Form By:**

\_\_\_\_\_  
Project Manager

**Approved By:**

  
\_\_\_\_\_  
Contractor

**Approved By:**

\_\_\_\_\_  
City of Sacramento

\_\_\_\_\_  
City Attorney

**Attested To By:**

\_\_\_\_\_  
City Clerk

March 3, 2016

Mr. Tim Weis  
Senior Electrical Engineer  
City of Sacramento  
Department of Utilities  
1395 35th Avenue  
Sacramento, CA 95822  
(916) 876-6321

**Re: Attachment A  
Additional Security Consulting REV2  
Agreement Amendment  
DOU Security Standards  
Project No P15141311003**

Dear Mr. Weis,

As requested, we are submitting this revised proposal for additional security consulting services related to the DOU Security Standards. This proposal is based on your request for proposal dated December 11, 2015, and subsequent comment responses to our original proposal dated March 3, 2016.

### **Scope of Work**

Guidepost Solutions LLC's Security Technology Consulting practice will provide security and radio backhaul system design services and project support for an integrated security system at the projects listed below. Work will be coordinated with all relevant City of Sacramento staff members and the respective project design teams. Our scope of work is an assumption based on the scope of work provided in the Request for Proposal.

Guidepost Solutions LLC's scope of work includes the following City of Sacramento projects:

- McKinley Village Radio Network
- Freeport Reservoir and Freeport Storage
- Shasta Reservoir
- OCC Integration

The work for each system will include:

- Preparation and submittal of Construction Documents, including mounting, cabling, and interface details for security devices.

**388 17<sup>TH</sup> Street, Suite 230 Oakland, CA 94612 T: 510.268.8373 F: 510.839.4791**

**WWW.GUIDEPOSTSOLUTIONS.COM**

- Our design package will include conduits, paths, electrical power, environmental controls, space requirements, stacking and adjacencies for the previously listed low voltage systems.
- Coordination of primary 120 VAC power with the project's electrical engineer.
- Coordination of network with the Owner's IT representative (as needed).
- Preparation of bid documents including specifications.
- Construction administration activities include bid reviews, response to RFIs, punch walks, punch list creation, site inspections, and record drawings.
- We will attend three (5) meetings during design and three (10) meetings during construction administration.

## **Scope of Services**

### ***Construction Documents:***

Guidepost Solutions LLC will provide construction documents showing each device location, system block diagrams, and detailed written specifications. All drafting/engineering work will be completed using AutoCAD 2015. Drawings will include:

- Title sheet with General Notes, Conventions, Symbols List, Abbreviation List, Schedules, and a Drawing Index.
- Site and floor plans showing specific device and equipment locations.
- System block diagrams for each system. Block diagrams show the logical relationships between equipment and sub-systems.
- Wire rooms, showing equipment layout and space requirements for all equipment.

Specifications are the written part of the construction documents that identifies the materials and equipment of the security system. Guidepost Solutions LLC will produce detailed system specifications for the installation of the systems.

### ***Bidding and Negotiation:***

- During the bidding process, Guidepost Solutions LLC will respond to bidders' questions and issues, as necessary.
- Once the bids are received, Guidepost Solutions LLC will review the contractor proposals and will evaluate both product and vendor qualifications.

### ***Construction Administration:***

- Guidepost Solutions LLC will review the contractors' submittals, shop drawings, and the final equipment list before the work proceeds. Included are an initial review and one re-submittal.
- Guidepost Solutions LLC will interface with the systems subcontractor and the project team at appropriate intervals to assist in efficient and timely installation and compliance.

- Guidepost Solutions LLC will participate in the final system testing, punch lists, and acceptance for the project.

If applicable, Guidepost Solutions LLC will follow-up when there are reports of contractor noncompliance.

## **Compensation and Reimbursables**

The proposed additional services will be provided for a Time and Expense lump sum amount not to exceed, **\$51,720.00**. See Exhibit A for a breakdown of the proposed fee.

Reimbursable expenses for mileage and document production are included as part of this proposal. Other reimbursable expenses will be billed at cost according to City of Sacramento standards.

## **Payment Terms**

Guidepost Solutions LLC will submit a monthly invoice for completed work. Invoices are payable 30 days after receipt of invoice. If payments are not received within 60 days, services may be suspended and Guidepost Solutions LLC will not be held responsible for any damages due to delays from such suspension.

## **Special Requirements**

Guidepost Solutions LLC will require the following:

- Access to and consultation with the Architect, other project related individuals and entities; including timely responses and decisions reasonably requested by Guidepost Solutions LLC.
- Prior to the commencement of work, Guidepost Solutions LLC will be supplied with a set of record drawings, AutoCAD 2013 or later preferred; plus any other electronic document files necessary for the completion of each project.
- Access to written and graphic architectural, electrical, structural, mechanical and civil engineering plans and design specifications, and plans.
- Detailed information, as required, on additional owner-furnished equipment for interface to other systems.
- Access to FTP or project collaboration sites.
- Access to sensitive City of Sacramento Department of Utilities information which if unavailable will adversely affect Guidepost Solutions ability to execute and complete the scope of work covered by this proposal.
- Access to the buildings and sites may be required, and shall be provided by the City of Sacramento. Escorts if required shall be provided by the City if necessary for access to sensitive or hazardous areas.
- Access to City of Sacramento Department of Utilities facility operations staff.

- Access to and the support of City of Sacramento IT staff.

### **Assumptions & Exclusions**

- Guidepost Solutions LLC's services under this proposal are limited to those expressly specified. The following additional services may be desired or required, and, if performed at the City of Sacramento Department of Utilities direction, will be charged at Guidepost Solutions LLC's standard rates as indicated in the attached Exhibit B, or at fees as mutually agreed.
  - Changing or re-designing any project aspect or element previously submitted by Guidepost Solutions LLC in compliance with this proposal, or previously approved by the City of Sacramento, including but not limited to project description, scope, requirements, goals, equipment, capabilities, facilities, contractors, plans, or designs.
  - Producing site plans, floor plans, or any drawings not listed under construction documents.
  - Design or specification of SCADA, or central building automation systems or control systems or any other system not expressly required by this proposal.
  - Preparation of maintenance and operation manuals or as-built drawings will be the systems contractor's responsibility.
  - Training or establishing training programs (to be performed by the systems contractor).
  - System permits and approvals including Professional Engineering stamp.
- The system recommendations will be prepared in compliance with Owner's standards, if available.
- This proposal does not include P.E. review of security system drawings and stamp.
- This proposal does not include electrical engineering of new circuits. If required, this work to be performed by others.
- This proposal does not include structural engineering or structural engineer stamp.
- This proposal does not include civil engineering, underground utility coordination, underground utility surveys, or civil engineering stamp.
- This proposal does not include antenna tower design. All antenna are assumed to be mounted to existing City of Sacramento structures.
- This proposal does not include construction permits or agency fees.
- Design of network electronics, switches, routers, servers, cross-connection cabling, wireless equipment, etc. is not included in this proposal. This work to be performed by others.
- Reimbursable expenses will comply with Owner's Standards.

This Proposal and the prices quoted are valid for 30 days from the date of this Proposal.

## Authorization

*If approved please return our proposal signed or provide a contract / agreement including general terms including deliverables, rates, and budget for signature. Email authorization is also acceptable but must include approved budget amounts and that our proposal / arrangement has been accepted and approved.*

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Signature & Date

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Signature & Date

Tim Weis  
Authorized Representative of  
City of Sacramento  
Department of Utilities

Todd Winslow – Project Manager  
Authorized Representative of  
Guidepost Solutions LLC

**Exhibit A - Estimated Breakdown of Compensation by Phase**

<b>Task Name</b>	<b>Hours</b>	<b>Fee</b>
<b>Sacramento DOU Amendment (Security Design and Project Support Services):</b>	<b>300</b>	<b>\$51,720</b>
<b>McKinley Village Radio Network</b>	<b>85</b>	<b>\$14,885</b>
SD	16	\$2,960
DD	18	\$2,910
CD 50%	11	\$1,825
CD 100%	8	\$1,270
CA	32	\$5,920
<b>Freeport Reservoir &amp; Freeport Storage</b>	<b>60</b>	<b>\$10,260</b>
SD	6	\$1,110
DD	18	\$2,910
CD 50%	10	\$1,640
CD 100%	8	\$1,270
CA	18	\$3,330
<b>Shasta Reservoir</b>	<b>60</b>	<b>\$10,260</b>
SD	6	\$1,110
DD	18	\$2,910
CD 50%	10	\$1,640
CD 100%	8	\$1,270
CA	18	\$3,330
<b>OCC Integration</b>	<b>95</b>	<b>\$16,315</b>
SD	16	\$2,960
DD	30	\$4,710
CD 50%	13	\$2,195
CD 100%	9	\$1,455
CA	27	\$4,995

*This chart is intended as an estimate only. In effort to most effectively accomplish the work for each project, we may reallocate resources between phases.*



**Exhibit B - Guidepost Solutions TDC 2016 Rate Schedule****Guidepost Solutions TDC 2016 Rates\***

Principal	\$205/hr
Senior Team Leader	\$190/hr
Project Manager	\$185/hr
Sr. Designer	\$185/hr
Project Research Analyst	\$185/hr
Project Coordinator	\$155/hr
Drafting	\$115/hr
Technical Support	\$115/hr

\*These rates are evaluated annually. Rates are based on a project completion date of 8/31/2016. Any changes in project completion may result in an increase in rates and total compensation.

**Meeting Date:** 4/14/2016

**Report Type:** Consent

**Report ID:** 2016-00390

**Title: Agreements: Summer Violence and Crime Reduction Programs**

**Location:** Citywide

**Recommendation:** Pass a Motion authorizing the City Manager, or the City Manager's designee, to execute agreements with Roberts Family Development Center and Re-Imagine Mack Road Foundation to administer summer youth and young adult violence and crime reduction programming for an amount not to exceed \$100,000 per agency.

**Contact:** Dave Risley, Police Captain, North Command, (916) 808-2290; Dave Peletta, Police Captain, South Command, (916) 808-6150, Police Department

**Presenter:** None

**Department:** Police

**Division:** Field Services Administration

**Dept ID:** 11001111

**Attachments:**

- 1-Description/Analysis
- 2-Agreement 1 (Relmagine Mack Road)
- 3-Agreement 2 (Roberts Family Dev Center)

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**City Attorney Review**

Approved as to Form  
Michael Fry  
4/7/2016 9:06:09 AM

**Approvals/Acknowledgements**

Department Director or Designee: Sam Somers - 4/4/2016 3:51:16 PM

## **Description/Analysis**

**Issue:** On February 16, 2016, the Sacramento City Council appropriated \$200,000 to support two violence and crime reduction programs. One program, Sacramento Summer Night Lights (SSNL), will serve the Mack Road/Valley Hi communities. The second program, Night Life Turned Right (NLTR) will serve the North Sacramento and Del Paso Heights communities. Although both programs will be held May 2016 through September 2016, the SSNL program will be organized and administered by the Re-Imagine Mack Road Foundation (RMRF) in the Mack Road/ Valley Hi area, while NLTR program will be organized and administered by the Roberts Family Development Center (RFDC) in the North Sacramento and Del Paso Heights communities.

**Policy Considerations:** The proposed action is consistent with City Council direction to appropriate \$200,000 for SSNL (Resolution 2016-00172) and Sacramento City Code, Chapter 3.64 (Contracts and Professional Services). In addition, staff has worked with RMRF and RFDC to ensure that all proper insurance coverages are in place as required.

**Economic Impact:** None.

## **Environmental Considerations:**

**California Environmental Quality Act (CEQA):** This recommendation does not constitute a “project” and is therefore exempt from the CEQA process according to CEQA Guidelines Section 15378(b)(2).

**Sustainability Considerations:** Not applicable.

**Commission/Committee Action:** None

**Rationale for Recommendation:** The SSNL and NLTR are violence and crime reduction programs based on a similar program founded in Los Angeles that is now in its 8<sup>th</sup> year and at 32 sites. Last year, the Los Angeles program was responsible for a 15.4 percent reduction in gang related crimes,

The SSNL and NLTR programs are designed for local youth and their families, with a focus on creating a safe environment within their neighborhood that fosters community togetherness and builds trust. The programs typically run from Thursday through Saturday nights, traditionally nights with the highest crime rates. The SSNL and NLTR programs offer activities for families and meals three nights a week. Organized sports, creative arts, parenting classes, healthy eating,

peer-to-peer mentoring, and job creation for local youth are all integrated into the sponsored events. One of the most significant outcomes from the SSNL and NLTR programs is the hiring and training of teens and young adults from the surrounding neighborhoods to help run the program.

In Fiscal Year (FY) 2014/15, the City Council funded three violence and crime reduction locations (North Sacramento, South Sacramento, and Oak Park). For FY2015/16, the City Council appropriated \$100,000 for the north and south area sites respectfully from available Measure U resources (Resolution 2016-00172).

**Financial Considerations:** There are adequate Measure U resources within the Police Department's FY2015/16 Measure U Multi Year Operating Project (MYOP) (I80110400) to fund these agreements.

The proposed agreement will allow for both RMRF and RFDC to receive \$80,000 in advance. The remaining 20 percent (\$20,000) will be withheld until both RMRF and RFDC provide a final financial summary of expenses. If either the RMRF and/or the RFDC do not expend all of the \$100,000 by the end of the contract term, or if funds are not properly accounted for, any remaining funds must be returned to the City.

**Local Business Enterprise (LBE) Program:** A waiver of the LBE participation requirement was approved based on the fact that this is a sole source procurement.

# **Funding Agreement**

**CITY OF SACRAMENTO  
GRANT FUNDING AGREEMENT  
WITH REIMAGINE MACK ROAD FOUNDATION  
AGREEMENT NUMBER \_\_\_\_\_**

This "Agreement" is made and entered into effective as of the completion of this agreement, by and between the City of Sacramento, a municipal corporation (the "City"), and ReIMAGINE Mack Road Foundation (ReImagine) a California nonprofit public benefit corporation ("Grantee").

## **RECITALS**

A. The City Manager (hereinafter "Manager"), or his/her designee, shall be the City official responsible for the grant and shall render overall supervision of the progress and performance of this Agreement by the City. All services agreed to be performed by the City shall be under the overall direction of the Manager.

B. The City desires to provide funding for prevention and intervention services that contribute to the reduction of gang activities, gang proliferation, and youth violence and that will contribute to the safety and quality of life in the City of Sacramento and surrounding areas.

In consideration of the foregoing recitals, the parties agree as follows:

### **1. PROGRAM**

Grantee shall conduct the program described in Exhibit A ("Program"). Grantee shall conduct the Program at the time, place, and in the manner specified in Exhibit A. Exhibit A is attached hereto for the purpose of describing the Program and is not intended to, and shall not be construed so as to, modify or expand the terms, conditions or provisions contained in this Agreement. In the event of any conflict between this Agreement and any terms or conditions of any document prepared or provided by Grantee and made a part of this Agreement, including without limitation any document relating to the Program, the terms of this Agreement shall control and prevail.

### **2. TERM OF AGREEMENT**

The Term of this Agreement shall commence once signed, and shall expire on October 31, 2016 (the "Term"), unless extended by the City or unless sooner terminated in accordance with the terms of this Agreement. All services must be completed by August 13, 2016 and all financial reconciliations must be completed by October 31, 2016. The City may extend the Term upon written notice to Grantee from Manager prior to expiration of the term.

### **3. GRANT AWARD; PAYMENT, MATCH REQUIREMENTS**

a. The City agrees to provide Grantee funding for those expenses associated with performing, overseeing and implementing the grant project described in Grantee's Proposal at Exhibit A, attached hereto and incorporated herein by this reference (hereinafter "Scope of Services"), in accordance with the project budget (hereinafter "Budget") attached hereto as Exhibit B and incorporated by this reference, subject however, to all terms and conditions of this Agreement. The total amount of the grant funding from City to Grantee shall not exceed \$ 100,000 ("Grant Award").

b. Payment of the Grant Award shall be released to Grantee in two (2) installments over the Term of this Agreement. The first installment of \$80,000 shall be released to Grantee upon full execution of the Grant Award and the required insurance certifications are completed. The second installment of \$20,000 shall be released upon final reconciliation of financial statements which is scheduled to take place between August 31, 2016 and October 31, 2016.

### **4. USE OF GRANT AWARD**

a. Grantee shall undertake and complete the Program as described and set forth in Exhibit A.

b. Grantee shall spend the Grant Award in accordance with the Budget in the attached Exhibit B.

c. Grantee shall not adjust any line item expenditures in the Budget by more than 10% without the prior approval of the Manager. Grantee shall make such requests for line item adjustments in writing to the Director. Failure to comply may result, at the City's option, in disallowed costs.

d. Grantee shall not expend any portion of the Grant Award for religious purposes and the Scope of Services funded by the Grant Award must not in any way convey a religious message. Any portion of the Grant Award used for a religious purpose or to convey a religious theme will be deemed a disallowed cost.

### **5. MONITORING AND EVALUATION**

a. Grantee shall furnish all data, statements, records, information, and reports necessary for the City to monitor, review and evaluate the performance of the Scope of Services and its components. Grantee shall cooperate with the City in the conduct of any evaluation of Grantee's Services. Grantee shall further cooperate to incorporate minor modifications that may be discovered as necessary and appropriate as a result of feedback from the monitoring and evaluation process. Grantee recognizes and agrees that an evaluation of the Scope of Services may be completed after the expiration of the Term. The City shall have the right to request the services of an outside agent to assist in any such evaluation. Such evaluation services shall be paid for by the City.

b. In the event funding for another cycle is appropriated in future fiscal years, Grantee acknowledges and agrees that Grantee's future funding, if any, may be determined based on participation results of the evaluation processes described in this Section. The City shall use data in the evaluation of Grantee's current performance and for the development of future performance targets, consistent with the evaluation system.

## **6. PROGRAM COORDINATION**

a. The Director or his/her designee shall monitor the Grantee's progress and performance of this Agreement. All services agreed to be performed by Grantee shall be under the general direction of the Director.

b. Grantee shall assign a single Program coordinator ("Grantee Coordinator") who shall have overall responsibility for the performance of this Agreement by Grantee. Should circumstances or conditions subsequent to the execution of this Agreement require a substitute Grantee Coordinator, Grantee shall notify Manager immediately of such occurrence. Grantee's staff shall cooperate fully with the Director with respect to all matters related to this Agreement.

## **7. DOCUMENTATION; RETENTION OF MATERIALS**

Grantee agrees to the following:

a. General Fiscal Responsibilities of Grantee. Grantee shall:

1. If applicable, appoint and submit to the City, the name of a fiscal agent, acceptable to the City, who shall be responsible for the financial and accounting activities of Grantee, including the receipt and disbursement of the Grant Award installments.

2. Establish and maintain a system of accounts for the Grant Award that shall be in conformance with generally accepted accounting principles. Such system of accounts shall be subject to review and approval of the City.

3. Document all costs by maintaining complete and accurate records of all financial transactions, including but not limited to contracts, invoices, time cards, cash receipts, vouchers, canceled checks, bank statements and/or other official documentation evidencing in proper detail the nature and propriety of all charges.

4. Submit to the City at such times and in such forms as the City may require, such statements, records, reports, data, and information pertaining to matters covered by this Agreement.

b. Records of Grantee.

1. Grantee shall maintain records of all matters related to this Agreement including, but not limited to, books, financial records, supporting documents, statistical records, personnel records, property records, and all other pertinent records sufficient to reflect properly:

a. All direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred in performance of this Agreement.

b. All other matters covered by this Agreement.

2. Grantee shall preserve and make available its records:

a. for the period of three (3) years from the date of expiration or sooner termination of Agreement; or

b. for such longer period, if any, as may be required by applicable law.

c. Examination of Records; Facilities. At any time during normal business hours, and as often as may be deemed necessary, Grantee agrees that the City, and/or any of its authorized representatives shall have access to and the right to examine its plants, offices and facilities engaged in performance of this Agreement and all its records with respect to all matters covered by this Agreement. Grantee also agrees that the City, or any of its representatives shall have the right to audit, examine, and make excerpts or transcripts of and from such records, and to make audits of all contracts and subcontracts, invoices, payrolls, records of personnel, conditions of employment, materials, and all other data relating to matters covered by this Agreement:

1. for a period of three (3) years from the date of expiration or sooner ; or

2. for such longer period, if any, as may be required by applicable law.

d. Audits. In the event that the City determines, from review of any Financial Report, inspection of records or any other source, that there is a problem or discrepancy regarding Grantee's compliance with the terms and conditions of this Agreement, including but not limited to the Project Budget, then the City shall, in its sole discretion, have the right to require an audit relating to the Scope of Services and Grantee's compliance hereunder. In the event the City elects to require an audit, the City shall notify Grantee and the following provisions set forth below shall apply.

1. Grantee shall enter into an agreement with an outside auditor no later than thirty (30) days from the date of City's notice calling for a financial audit of Grantee hereunder. The written agreement may be in the form of an engagement letter prepared by the auditor and approved by Grantee. An amount equal to the Grantee's estimated cost of an independent audit may be set aside from the Grant Award by the City.



2. Should Grantee not enter into the agreement with an outside auditor or should an audit not be done on a timely basis, the City, at its discretion, may enter into an agreement with an independent auditor to do the audit and utilize Grantee's set-aside funds for the audit.

3. The audit report must be completed and sent to the Manager within one hundred and twenty (120) days from City's notice calling for an audit of Grantee. The audit shall conform with generally accepted auditing principles.

4. Grantee shall submit to the City copies of management letters the auditor prepares for the Grantee as a part of the audit engagement.

5. All audits must be done by Certified Public Accountants currently certified to practice in the State of California. Grantee must have proof of current licensing included at the time the audit is submitted to the City. A certification to practice in California must accompany the audit when submitted to the City.

6. In the event that the result of any such audit shows a discrepancy from the Project Budget or misuse of funds equal to five percent (5%) or less of the Grant Award, then the cost of the audit shall be borne fifty-fifty (50% by Grantee and 50% by the City). In the event that the result of any such audit shows a discrepancy from the Project Budget or misuse of funds equal to more than five percent (5%) of the Grant Award, then Grantee shall be responsible for the entire cost of the audit.

Notwithstanding the foregoing, the City shall have the right for any reason whatsoever to perform, or cause to be performed an independent audit. Such audits may cover programmatic as well as fiscal matters. Grantee will be afforded an opportunity to respond to any audit findings, and have the responses included in the final audit report. Costs of such independent audits shall be borne by the City.

- e. Disallowed Costs. Grantee is liable for repayment of disallowed costs as determined by the City. Disallowed costs may be identified through audits, monitoring or other sources.

## **8. ASSIGNMENT; COLLABORATION WITH SERVICE PARTNER**

a. Grantee shall not assign any rights or duties under this Agreement to a third party without the express prior written consent of City, in City's sole and absolute discretion. Consultant agrees that the City shall have the right to approve any and all subcontractors and subconsultants to be used by Consultant in the performance of this Agreement before Consultant contracts with or otherwise engages any such subcontractors or subconsultants.

b. Notwithstanding the foregoing, to the extent set forth and described in the Scope of Services, Grantee may work with collaborative service partners, which may include any entity that will share resources that impact the delivery of the proposed services (such as

school sites and school districts where services may be provided, as well as other non-profit community service organizations), provided that Grantee shall first enter into a written agreement with any collaborative partner ("Service Partner Agreement") in the form provided by the City.

## **9. RELATIONSHIP OF PARTIES**

It is understood and agreed by and between the parties that Grantee in the performance of this Agreement, shall not act nor is it at any time authorized to act, as the agent or representative of the City in any matter. Grantee further agrees that it will not in any manner hold itself out as the agent or representative of the City or act in such a fashion as would give the impression to a reasonable person that Grantee is acting in such a capacity.

## **10. INDEMNITY**

Grantee shall, to the fullest extent permitted by law, indemnify, protect, defend and hold harmless City, and its employees, officials and agents ("Indemnified Parties") from all claims, demands, costs or liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, interest, defense costs, and expert witness fees), that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Grantee, its officers, employees, agents or volunteers, in the performance of services related to this Agreement, excepting only liability arising from the sole negligence, active negligence or intentional misconduct of City. If there is a possible obligation to indemnify, Grantee's duty to defend exists regardless of whether it is ultimately determined that there is no obligation to indemnify. The existence or acceptance by City of insurance policies or coverages described in this Agreement shall not affect or limit any of the City's rights under this agreement. This Section shall survive expiration or sooner termination of this Agreement.

- a. Insurance Requirements.** During the entire term of this Agreement, GRANTEE shall maintain the insurance coverage described in this Section 10.

Full compensation for all premiums that Grantee is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by Grantee under this Agreement. No additional compensation will be provided for Grantee's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

It is understood and agreed by the Grantee that its liability to the City shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Grantee in connection with this Agreement.

- a. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance providing coverage at least as

broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Grantee, its sub-consultants, and subcontractors, products and completed operations of Grantee, its sub-consultants, and subcontractors, and premises owned, leased, or used by Grantee, its sub-consultants, and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage, and personal injury, with limits of not less than one million dollars (\$1,000,000) per accident. The policy shall provide coverage for owned, non-owned, and/or hired autos as appropriate to the operations of the Grantee.

No automobile liability insurance shall be required if Grantee completes the following certification:

"I certify that a motor vehicle will not be used in the performance of any work or services under this agreement." \_\_\_\_\_  
(Grantee initials)

- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City. If no work or services will be performed on or at City facilities or City Property, the City Representative may waive this requirement by selecting the option below:

Workers' Compensation waiver of subrogation in favor of the City is not required. \_\_\_\_\_ (City Representative initials)

No Workers' Compensation insurance shall be required if Grantee completes the following certification:

"I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation insurance." \_\_\_\_\_ (Grantee initials)

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Grantee, its sub-consultants, and subcontractors; products and completed operations of Grantee, its sub-consultants, and subcontractors; and premises owned, leased, or used by Grantee, its sub-consultants, and subcontractors.
- (2) Automobile Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Grantee's insurance coverage, including excess insurance, shall be primary insurance as respect to City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by City, its officials, employees, or volunteers shall be in excess of Grantee's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees, or volunteers.
- (3) Coverage shall state that Grantee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) City will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the City in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) Grantee shall furnish City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the City representative named in Exhibit A. Copies of policies shall be delivered to the City on demand. Certificates of insurance shall be signed by an authorized representative of the

insurance carrier.

- (2) For all insurance policy renewals during the term of this Agreement, Grantee shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento

c/o Ebix RCS

Reference #: (This number will be provided by EBIX after Agreement approval.)

PO Box 257

Portland, MI 48875-0257

Insurance certificates also may be faxed to (770) 325-3340, or e-mailed to:

CertsOnly-Portland@ebix.com

- (3) The City may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The City may withhold payments to Grantee or cancel the Agreement if the insurance is canceled or Grantee otherwise ceases to be insured as required herein.

F. Subcontractors

Grantee shall require and verify that all sub-consultants and subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

## **11. INDEPENDENT CONTRACTOR**

a. It is understood and agreed that Grantee (including Grantee's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Grantee nor Grantee's assigned personnel shall be entitled to any benefits payable to employees of City. City is not required to make any deductions or withholdings from the Grant Award. As an independent contractor, Grantee hereby agrees to indemnify and hold City harmless from any and all claims that may be made against City based upon any contention by any of Grantee's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any services under this Agreement.

b. If, in the performance of this Agreement, any third persons are employed

by Grantee, such persons shall be entirely and exclusively under the direction, supervision, and control of Grantee. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Grantee. It is further understood and agreed that Grantee shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of Grantee's assigned personnel and subcontractors.

c. The provisions of this section shall survive any expiration or termination of this Agreement.

## **12. TERM, TIME OF PERFORMANCE, SUSPENSION, TERMINATION FOR CAUSE, TERMINATION WITHOUT CAUSE**

a. This Agreement shall become effective on the date that it is made, set forth on the first page of the Agreement, and shall expire on October 31, 2016 ("Term"), unless sooner terminated as provided herein.

b. The Program shall be conducted in accordance with the schedule set forth in Exhibit A and shall be completed by October 31, 2016.

c. City shall have the right at any time to temporarily suspend Grantee's performance hereunder, in whole or in part, by giving a written notice of suspension to Grantee. If City gives such notice of suspension, Grantee shall immediately suspend its activities under this Agreement, as specified in such notice.

d. Manager may, with or without prior notice to Grantee, at any time in his or her absolute discretion, elect to suspend or terminate payment to Grantee, in whole or in part, terminate work or expenditures by Grantee, under this Agreement, or not to make any particular payment under this Agreement or take any other action available in the event of any of the following occurrences:

1. If Grantee (with or without knowledge) made any material misrepresentation of any nature with respect to any information or statements furnished to City in connection with this Agreement;

2. If there is pending litigation with respect to the performance by Grantee of any of its duties or obligations under this Agreement which may materially jeopardize or adversely affect the undertaking of or the carrying out of the Program;

3. If Grantee, without having obtained City approval, has taken any action pertaining to the Program, which requires City approval;

4. If Grantee makes improper use of the Grant Award;

5. If Grantee fails to comply with any of the terms and conditions of this

Agreement including without limitation, Grantee's failure to carry out the Program.

6. If Grantee submits to City any report which is incorrect or incomplete in any respect, or is untimely.

7. Each of Grantee's obligations under this Agreement shall be deemed material.

e. This Agreement may be terminated by either party by giving thirty (30) days notice to the other in writing of its intent to terminate the Agreement.

Upon such notice, Grantee shall cease any further work related to this Agreement. Nothing in this Agreement shall be deemed to be a waiver of the City's right to recover from Grantee any portion of the Grant Award that has not been spent in accordance with this Agreement or that has not been spent as of the date of notice under this subsection.

### **13. STANDARD OF PERFORMANCE**

Grantee shall perform all services performed under this Agreement in the manner and according to the standards currently observed by a competent practitioner of Grantee's profession in California. Grantee shall assign only competent personnel to perform services under this Agreement. Grantee shall notify City in writing of any changes in Grantee's staff assigned to perform the services under this Agreement prior to any such performance. In the event that City, at any time, desires the removal of any person assigned by Grantee to perform services under this Agreement, because City, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, Grantee shall remove such person immediately upon receiving notice from City of the desire of City for the removal of such person.

### **14. CONFLICTS OF INTEREST**

Grantee covenants that neither it, nor any officer or principal of its corporation, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of City or that would in any way hinder Grantee's performance of services under this Agreement. Grantee further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of City. Grantee agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City at all times during the performance of this Agreement.

### **15. CONFIDENTIALITY OF CITY INFORMATION**

During performance of this Agreement, Grantee may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information

(hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City. Grantee agrees to protect all City Information and treat it as strictly confidential, and further agrees that Grantee shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of City. In addition, Grantee shall comply with all City policies governing the use of the City network and technology systems. A violation by Grantee of this Section 14 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

Grantee shall maintain the confidentiality of information gathered and all records generated under this Agreement pursuant to applicable Federal and State laws, subject, however, to reports to child abuse reporting agencies required by law.

## **16. MISCELLANEOUS**

a. Entire Agreement. This Agreement contains the entire agreement between the parties. Any and all verbal or written agreements made prior to the date of this Agreement are superseded by this Agreement and shall have no further effect.

b. Modification. No modification or change to the terms of this Agreement will be binding on a party unless in writing and signed by an authorized representative of that party.

c. Compliance with Laws. Grantee shall perform all services described herein in compliance with all applicable federal, state and local laws, rules, regulations, and ordinances, including but not limited to, (i) the Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) ("ADA"), and any regulations and guidelines issued pursuant to the ADA; and (ii) Labor Code sections 1720, et seq., which require prevailing wages (in accordance with DIR determinations at [www.dir.ca.gov](http://www.dir.ca.gov)) be paid to any employee performing work covered by Labor Code sections 1720 et seq.

d. Non-discrimination. Except as permitted by law, Grantee shall not, because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status of any person, refuse to hire or employ the person or refuse to select the person for a training program leading to employment, or bar or discharge the person from employment or from a training program leading to employment, or discriminate against the person in compensation or in terms, conditions, or privileges of employment.

e. Governing Law; Venue. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such court, and consent to service of process issued by such court.



f. Waiver of Rights. Any grant award or acceptance by City of any service performed by Grantee under this Agreement, any waiver by City of any default, breach or condition precedent, shall not be construed as a waiver of any provision of this Agreement by City, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

g. Successor and Assigns. Grantee binds itself, its partners, successors, legal representatives and assigns to City with respect to all promises and agreements contained herein.

h. Incorporation of attachments and exhibits. The attachments and exhibits to this Agreement are incorporated and made part of this Agreement, subject to terms and provisions herein contained.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first herein above set forth.

**GRANTEE**

Name of Agency: Belmacine Mack  
Road Foundation.

TYPE OF BUSINESS ENTITY (check one):

- ☐ Individual/Sole Proprietor  
☐ Partnership  
☒ Corporation SOLC3  
☐ Limited Liability Company  
☐ Other (please specify: \_\_\_\_\_)

**CITY OF SACRAMENTO,**  
a municipal corporation

By: \_\_\_\_\_  
John F. Shirey,  
City Manager

APPROVED AS TO FORM:

*Signatures of Authorized Persons:*

By: [Signature]

Print Name: Jenna Abbott

Title: Executive Director

By: \_\_\_\_\_  
City Attorney's Office

Attachments:

Exhibit A – Scope of Services

Exhibit B – Budget and Budget Narrative

Exhibit D – Statement of Fiscal Agent Responsibilities (if applicable)



# Exhibit A

## Application Narrative – Sacramento Summer Night Lights ReIMAGINE Mack Road Foundation, Applicant

### **Section 1: Agency Capacity**

The ReIMAGINE Mack Road Foundation (RMRF) was founded in 2013 as the 501(c)3 partner to the Mack Road Partnership (MRP), a property based business improvement district (PBID) located in a region with some of the highest crime and poverty rates in the greater Sacramento area. Its mission is perfectly aligned with the mission of the SGPIT. We believe community success is built on community engagement and that engaged communities are safe and healthy communities. The RMRF has proven capacity to do the work and deliver solid programs. In collaboration with others such as the Sacramento Police Department, the Sacramento Violence Prevention Program, Kaiser Permanente, The Sacramento Kings, CarMax and the Elk Grove Unified School District, we design and deliver quality programming. Examples include Sacramento Summer Night Lights, ReIMAGINE Mack Road Days of Community Service and the implementation of a new community service center known as the Mack Road Valley Hi Community Center.

Since formation, the RMRF has reached deeply into the communities surrounding the Mack Road corridor in ways that enrich the quality of life for the many needy families who live there. We strive to improve health and well-being through vibrant community-centered programs that bring hope and positive change to these neighborhoods. While the foundation does much of its work with children, youth and young adults we have been mindful of the need to offer opportunities for residents of all ages to creatively participate in activities that express their unique cultural background. This overwhelming need is the impetus driving our pursuit of resources to support and nurture our

community. We are well supported, well-positioned and trusted in the Valley Hi community.

## **Section 2: Target Population and Demonstration of Need**

Sacramento Summer Night Lights is a family program and targets all ages. In both 2014 and 2015 the program was held in Valley Hi at the intersection of Center Parkway and Mack Road. An evaluation of the program conducted in 2014 found that, while all ages attended the program

- 40% of attendees were between the ages of 13 and 17
- 68% of attendees were under the age of 35
- Of those, 60% indicated that they brought one or more child under the age of 13 with them.
- 58% of attendees walked or biked to the site
- 31% of attendees attended every night the program was held

According to statistics provided by the Elk Grove School District, 88% of students that attend schools in the Valley region are eligible for free- or reduced-price meals. Of the 4,798 families who reside in the Valley region, 1,137 (24%) live below the federal poverty level (US Census, 2013). A significant number of these households (1,989) reside in the six affordable multi-family apartment communities fronting Mack Road and many are headed by a single mother who has a least one child under the age of 6. Thirty percent of the population over the age of 25 is without a high school diploma and gang affiliation is common. All of these conditions combine to create at-risk and high-risk environments for our most vulnerable children and their young parents, many of whom are already gang involved. These are the target attendees for Sacramento

Summer Night Lights.

### **Section 3: Program Design**

There are many schools of thought as to what steps may be taken to break the cycle of poor community health, apathy, and gang involvement. One thing that is not disputed is research that consistently shows:

- Youth are most likely to commit violent crimes between the hours of 4 p.m. and midnight.
- Crime spikes during the summer months when longer daylight hours result in youth searching for activities to cure restlessness and boredom.
- We cannot arrest our way out of this problem
- Time and resources are best spent in bringing out the best in the community

While many programs have been tried to combat this cycle, the SSNL formula appears to yield results, quickly and reliably, regardless of location. In both 2014 and 2015 SSNL ran Thursday through Saturday nights for 14 weeks, or 42 nights, at this campus.

Programing began at 7 pm and ran through midnight but attendees customarily began to arrive by 5:30. By 7 pm, it was not uncommon to have upwards of 120 people on site.

Surveys completed by program attendees show positive results in resident health, increased feelings of safety by residents and business owners, a reduction in violence and a more vibrant an engaged community. Businesses close to the program areas see a reduction in criminal activity and shrinkage and, if properly engaged, experience an increase in trade. Less tangible, yet equally important, benefits to the business and residential community included increased positive feelings towards area youth and an increased sense of community.

A safe place to gather, a meal, music, sports and structured activities for children, youth and adults all combine to build community and offer **Family Support**. Adults get to know each other while their children play together. Educational workshops targeted at parents and young adults model and teach good parenting skills and offer community resources.

One of the core pillars of SSNL is **Workforce Readiness and Job Training**. In 2014, 34 jobs were created by SSNL on Mack Road. In 2015, that total increased to 43 new jobs for local youth, young adults and local contractors through SSNL. In order to be hired, youth must live in the 95823 zip code and care is taken to hire a combination of at risk youth and local mentors to staff the programs. This accomplishes several goals. Local youth who gain employment bring others to the program and model behavior that makes them productive citizens. Youth squad members, age 17-23, are carefully selected and trained to maximize the chances of success and work with team leaders to create and staff the extended hours and programs. Assuming they complete the program and stay out of trouble, youth squad members may apply for team lead jobs the year following their initial employment as a team member. These are paid jobs and youth squad team members receive wages for the duration of the program and the opportunity to earn a bonus based on fulfilling expectations. Staff also receive weekly classroom-based professional development training. In 2014 and 2015 topics included but were not limited to the power of first impressions, job interview skills, dressing for success, fiscal responsibility and financial literacy, resume building, sexual harassment in the workplace and conflict management. Various partnerships also allowed for guest speakers who offered seminars such as achieving a career in law enforcement and what it's really like to be an entrepreneur.

These **Life Skills and Cognitive Development** opportunities are ingrained in the program and it is wonderful to watch our young staff members solving problems, mediating conflicts, gaining strength of character, engaging with their community and becoming aware of their own power. At the conclusion of the 14 weeks, all youth staff had gained valuable job skills and experience. Several have used these skills to gain employment at the close of the summer program.

**Community Engagement and awareness** is a hallmark of the program. SSNL fosters an open environment which invites all to attend and participate. Parents and children attend together and a sense of community is built and cultivated through the program. Younger children might participate in group programming and organized sports in the early part of the evening while family-centered recreational, educational and artistic activities such as fitness classes, dance lessons, movie nights, crafts and job preparation attract tweens, teens and young adults. Youth are engaged in positive activities during peak times for violence and go home tired at the end of the night. The inclusion of a healthy meal as part of the SSNL program removes food insecurity during a time when school feeding programs are typically on hiatus was shown to have a beneficial effect on area grocery store shrinkage in both 2014 and 2015. In addition, the simple act of breaking bread together facilitates community bonding

We also understand the importance of **School Based Support** for SSNL. A strong partnership with local schools and the district is a critical to success. In both 2014 and 2015 our collaboration with the Elk Grove Unified School District allowed us to offer a healthy meal for children under the age of 18 through a partnership grant. Catering was purchased from the school district's central kitchen which allowed all attendees to have a meal. Coordinating the timing of the program with the summer break meant students

maintained contact throughout the summer and school administrators indicated a lowering of the violence usually associated with the first few weeks of back to school. Students talked about SSNL to their teachers and wrote about SSNL as a high point in essays outlining what they had done over the summer. Anecdotal evidence indicated that the students returned to school more settled and in a better frame of mind. Having a productive summer with a safe place to gather translated into a more peaceful start to the school year.

#### **Section 4: Outcomes**

The success of this program is measured by its outcomes and year over year growth which is outlined in the table below. We will use the same tracking and evaluation means we have used in prior years in order to provide ongoing, year over year measurement. Surveys and demographic information gathering has proven to be an effective method.

<b>Statistic</b>	<b>2014</b>	<b>2015</b>	<b>% change</b>
Local Jobs Created in Zip 95823	34	43	↑ 20%
Opening Night	500	801	↑ 60%
Attendance May 30-June 30	3385	7100	↑ 110%
Adult Meals Served	1241	1603	↑ 29%
Child Meals Served	1925	2430	↑ 26%
Total Meals Served	3166	4033	↑ 28%
Attendance July 1 – July 31	3050	6696	↑ 120%
Adult Meals Served	942	1493	↑ 59%
Child Meals Served	1787	2500	↑ 40%
Total Meals Served	2729	3993	↑ 46%
Attendance August 1 – Sept 5	4230	7485	↑ 77%
Adult Meals Served	1179	1662	↑ 41%
Child Meals Served	1951	2870	↑ 47%
Total Meals Served	3130	4532	↑ 45%
Finale Night	816	901	↑ 11%
<b>Total Attendance</b>	<b>10,665</b>	<b>21,281</b>	<b>↑ 103%</b>
<b>Total Meals Served</b>	<b>9,025</b>	<b>12,558</b>	<b>↑ 39%</b>

When surveyed, 90% of participants surveyed felt their neighborhood was safer because of SSNL; 98% of participants said they would return if the program was offered



the next year; 98% indicated the location at Center Parkway and Mack Road was the right location; 92% indicated their interactions with the onsite law enforcement officers was either good or excellent and 96% of those surveyed indicated that SSNL bettered the image of and increased their pride in their neighborhood. The program gets families outside and engaged in physical activity which aids with combating isolation as well as promoting physical movement.

The program saw success in both years and we anticipate continued positive results in upcoming years. The program reaches large numbers of at risk youth, provides jobs for them and incents them to become community members rather than a community issue. Younger children look up to Youth Squad members and aspire to hold those jobs while Youth Squad members who mentor these youngsters build self-esteem and increase their awareness of self and of others. The ReIMAGINE Mack Road Foundation respectfully asks that you award the maximum grant amount to Sacramento Summer Night Lights.



**EXHIBIT B**  
**Project Budget**

Please provide an estimated budget for a ten month program beginning  
March 1, 2016 – December 31, 2016

**A. Personnel Costs**

Description	City of Sac Funding Request	Agency Match	Total Program
<i>Site Supervisor (1)</i>	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00
Youth Squad Leaders (2)	\$ 8,000.00	\$ 8,000.00	\$ 16,000.00
Youth Squad Members (12)	\$ 32,500.00	\$ 32,500.00	\$ 65,000.00
Gang Intervention Workers (3)	\$ 7,500.00	\$ 7,500.00	\$ 15,000.00
			\$ -
			\$ -
			\$ -
			\$ -
Total Salaries	\$ 53,000.00	\$ 53,000.00	\$ 106,000.00
Payroll taxes, workers comp, UI, etc		\$ 9,540.00	\$ 9,540.00
<b>Total Personnel Costs</b>	<b>\$ 53,000.00</b>	<b>\$ 62,540.00</b>	<b>\$ 115,540.00</b>

**B. Operating Costs**

Description	City of Sac Funding Request	Agency Match	Total Program
Facility/ Occupancy	\$ -	\$ 2,512.00	\$ 2,512.00
Communication		\$ 5,000.00	\$ 5,000.00
Office Supplies		\$ 2,000.00	\$ 2,000.00
Equipment & Facilities	\$ 10,000.00	\$ 15,000.00	\$ 25,000.00
Program Materials	\$ 5,000.00		\$ 5,000.00
Travel/Transportation			\$ -
Participant Wages/Stipends			\$ -
Indirect Costs			\$ -
Contracted Service Providers	\$ 12,000.00	\$ 20,000.00	\$ 32,000.00
Adult food costs	\$ 10,000.00	\$ 10,000.00	\$ 20,000.00
Other (Specify)			\$ -
<b>Total Operating Costs</b>	<b>\$ 37,000.00</b>	<b>\$ 54,512.00</b>	<b>\$ 91,512.00</b>

Personnel Costs	\$ 53,000.00	\$ 62,540.00	\$ 115,540.00
Operating Costs	\$ 37,000.00	\$ 54,512.00	\$ 91,512.00
<b>Total Program Costs</b>	<b>\$ 90,000.00</b>	<b>\$ 117,052.00</b>	<b>\$ 207,052.00</b>



**EXHIBIT B-1**  
**Project Budget Narrative**

Please provide an estimated budget narrative for a ten month program beginning  
March 1, 2016 – December 31, 2016

**A. Personnel Costs**

<b>Description</b>	<b>Explanation</b>
<i>Site Supervisor (1)</i>	<i>one site supervisor @\$16 per hour with potential for an additional \$2 per hour bonus if requirements met</i>
<i>Youth Squad Leaders (2)</i>	<i>Two youth squad leaders @\$12 per hour each with potential to earn additional \$1 per hour bonus if requirements met</i>
<i>Youth Squad Members (12)</i>	<i>Twelve youth squad members @\$10 per hour each with potential to earn \$1 per hour bonus if requirements met. Note that this headcount has been increased by two due to anticipated growth based on 2014-2015 increased numbers.</i>
<i>Gang Intervention Workers (3)</i>	<i>Three qualified gang intervention workers @\$15 per hour. Note that we are increasing this headcount by one due to increase in growth of program 2014-2015.</i>

**B. Operating Costs**

<b>Description</b>	<b>Explanation</b>
<i>Facility/ Occupancy</i>	<i>This cost will be paid by other dollars which will be raised by the RMRF through other donors</i>
<i>Communication</i>	<i>Advertising costs including but not limited to weekly flyers, media buys, posters, t-shirts, handstamps and signs</i>
<i>Office Supplies</i>	<i>paper products, pens, workbooks, clipboards, etc. for staff training etc.</i>
<i>Equipment &amp; Facilities</i>	<i>This category includes such things as a generators, pop up shelters, stage rentals, portapotty rental, stadium lights and so on. These costs last year totaled almost 30K. We are asking the city to provide 10K towards this category. The balance will be raised through other methods by the RMRF</i>

Program Materials	This category includes arts and crafts supplies, decorations, movie rentals, board games, participant prizes and favors and special night supplies such as the dye supplies, fireworks, sparklers etc.
Travel/Transportation	We will find another way to pay for any travel costs
Participant Wages/Stipends	N/A
Indirect Costs	The RMRF will absorb these costs
Contracted Service Providers	This cost will partially cover the hiring of service providers to bring programs such as organic catering costs for adult food. The balance will be raised by the RMRF through other sources.
Adult food costs	
Other (Specify)	
<b>Please identify potential areas of your program and associated budget that could be reduced if your program is only partially funded.</b>	

zed sports, music lesson, dance classes, parenting classes etc. The balance will be raised by the RMRF through other donors





# Funding Agreement

**CITY OF SACRAMENTO  
GRANT FUNDING AGREEMENT  
WITH ROBERTS FAMILY DEVELOPMENT CENTER  
AGREEMENT NUMBER \_\_\_\_\_**

This "Agreement" is made and entered into effective as of 3/24/2016, by and between the City of Sacramento, a municipal corporation (the "City"), and Roberts Family Development Center (RFDC) a California nonprofit public benefit corporation ("Grantee").

## RECITALS

A. The City Manager (hereinafter "Manager"), or his/her designee, shall be the City official responsible for the grant and shall render overall supervision of the progress and performance of this Agreement by the City. All services agreed to be performed by the City shall be under the overall direction of the Manager.

B. The City desires to provide funding for prevention and intervention services that contribute to the reduction of gang activities, gang proliferation, and youth violence and that will contribute to the safety and quality of life in the City of Sacramento and surrounding areas.

In consideration of the foregoing recitals, the parties agree as follows:

### 1. PROGRAM

Grantee shall conduct the program described in Exhibit A ("Program"). Grantee shall conduct the Program at the time, place, and in the manner specified in Exhibit A. Exhibit A is attached hereto for the purpose of describing the Program and is not intended to, and shall not be construed so as to, modify or expand the terms, conditions or provisions contained in this Agreement. In the event of any conflict between this Agreement and any terms or conditions of any document prepared or provided by Grantee and made a part of this Agreement, including without limitation any document relating to the Program, the terms of this Agreement shall control and prevail.

### 2. TERM OF AGREEMENT

The Term of this Agreement shall commence once signed, and shall expire on October 31, 2016 (the "Term"), unless extended by the City or unless sooner terminated in accordance with the terms of this Agreement. All services must be completed by August 13, 2016 and all financial reconciliations must be completed by October 31, 2016. The City may extend the Term upon written notice to Grantee from Manager prior to expiration of the term.

### **3. GRANT AWARD; PAYMENT, MATCH REQUIREMENTS**

a. The City agrees to provide Grantee funding for those expenses associated with performing, overseeing and implementing the grant project described in Grantee's Proposal at Exhibit A, attached hereto and incorporated herein by this reference (hereinafter "Scope of Services"), in accordance with the project budget (hereinafter "Budget") attached hereto as Exhibit B and incorporated by this reference, subject however, to all terms and conditions of this Agreement. The total amount of the grant funding from City to Grantee shall not exceed \$ 100,000 ("Grant Award").

b. Payment of the Grant Award shall be released to Grantee in two (2) installments over the Term of this Agreement. The first installment of \$80,000 shall be released to Grantee upon full execution of the Grant Award and the required insurance certifications are completed. The second installment of \$20,000 shall be released upon final reconciliation of financial statements which is scheduled to take place between August 31, 2016 and October 31, 2016.

### **4. USE OF GRANT AWARD**

a. Grantee shall undertake and complete the Program as described and set forth in Exhibit A.

b. Grantee shall spend the Grant Award in accordance with the Budget in the attached Exhibit B.

c. Grantee shall not adjust any line item expenditures in the Budget by more than 10% without the prior approval of the Manager. Grantee shall make such requests for line item adjustments in writing to the Director. Failure to comply may result, at the City's option, in disallowed costs.

d. Grantee shall not expend any portion of the Grant Award for religious purposes and the Scope of Services funded by the Grant Award must not in any way convey a religious message. Any portion of the Grant Award used for a religious purpose or to convey a religious theme will be deemed a disallowed cost.

### **5. MONITORING AND EVALUATION**

a. Grantee shall furnish all data, statements, records, information, and reports necessary for the City to monitor, review and evaluate the performance of the Scope of Services and its components. Grantee shall cooperate with the City in the conduct of any evaluation of Grantee's Services. Grantee shall further cooperate to incorporate minor modifications that may be discovered as necessary and appropriate as a result of feedback from the monitoring and evaluation process. Grantee recognizes and agrees that an evaluation of the Scope of Services may be completed after the expiration of the Term. The City shall have

the right to request the services of an outside agent to assist in any such evaluation. Such evaluation services shall be paid for by the City.

b. In the event funding for another cycle is appropriated in future fiscal years, Grantee acknowledges and agrees that Grantee's future funding, if any, may be determined based on participation results of the evaluation processes described in this Section. The City shall use data in the evaluation of Grantee's current performance and for the development of future performance targets, consistent with the evaluation system.

## **6. PROGRAM COORDINATION**

a. The Director or his/her designee shall monitor the Grantee's progress and performance of this Agreement. All services agreed to be performed by Grantee shall be under the general direction of the Director.

b. Grantee shall assign a single Program coordinator ("Grantee Coordinator") who shall have overall responsibility for the performance of this Agreement by Grantee. Should circumstances or conditions subsequent to the execution of this Agreement require a substitute Grantee Coordinator, Grantee shall notify Manager immediately of such occurrence. Grantee's staff shall cooperate fully with the Director with respect to all matters related to this Agreement.

## **7. DOCUMENTATION; RETENTION OF MATERIALS**

Grantee agrees to the following:

a. General Fiscal Responsibilities of Grantee. Grantee shall:

1. If applicable, appoint and submit to the City, the name of a fiscal agent, acceptable to the City, who shall be responsible for the financial and accounting activities of Grantee, including the receipt and disbursement of the Grant Award installments.

2. Establish and maintain a system of accounts for the Grant Award that shall be in conformance with generally accepted accounting principles. Such system of accounts shall be subject to review and approval of the City.

3. Document all costs by maintaining complete and accurate records of all financial transactions, including but not limited to contracts, invoices, time cards, cash receipts, vouchers, canceled checks, bank statements and/or other official documentation evidencing in proper detail the nature and propriety of all charges.

4. Submit to the City at such times and in such forms as the City may require, such statements, records, reports, data, and information pertaining to matters covered by this Agreement.

b. Records of Grantee.

1. Grantee shall maintain records of all matters related to this Agreement including, but not limited to, books, financial records, supporting documents, statistical records, personnel records, property records, and all other pertinent records sufficient to reflect properly:

a. All direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred in performance of this Agreement.

b. All other matters covered by this Agreement.

2. Grantee shall preserve and make available its records:

a. for the period of three (3) years from the date of expiration or sooner termination of Agreement; or

b. for such longer period, if any, as may be required by applicable law.

c. Examination of Records; Facilities. At any time during normal business hours, and as often as may be deemed necessary, Grantee agrees that the City, and/or any of its authorized representatives shall have access to and the right to examine its plants, offices and facilities engaged in performance of this Agreement and all its records with respect to all matters covered by this Agreement. Grantee also agrees that the City, or any of its representatives shall have the right to audit, examine, and make excerpts or transcripts of and from such records, and to make audits of all contracts and subcontracts, invoices, payrolls, records of personnel, conditions of employment, materials, and all other data relating to matters covered by this Agreement:

1. for a period of three (3) years from the date of expiration or sooner ; or

2. for such longer period, if any, as may be required by applicable law.

d. Audits. In the event that the City determines, from review of any Financial Report, inspection of records or any other source, that there is a problem or discrepancy regarding Grantee's compliance with the terms and conditions of this Agreement, including but not limited to the Project Budget, then the City shall, in its sole discretion, have the right to require an audit relating to the Scope of Services and Grantee's compliance hereunder. In the event the City elects to require an audit, the City shall notify Grantee and the following provisions set forth below shall apply.

1. Grantee shall enter into an agreement with an outside auditor no later than thirty (30) days from the date of City's notice calling for a financial audit of Grantee hereunder. The written agreement may be in the form of an engagement letter prepared by the auditor and approved by Grantee. An amount equal to the Grantee's estimated cost of an independent audit may be set aside from the Grant Award by the City.

2. Should Grantee not enter into the agreement with an outside auditor or should an audit not be done on a timely basis, the City, at its discretion, may enter into an agreement with an independent auditor to do the audit and utilize Grantee's set-aside funds for the audit.

3. The audit report must be completed and sent to the Manager within one hundred and twenty (120) days from City's notice calling for an audit of Grantee. The audit shall conform with generally accepted auditing principles.

4. Grantee shall submit to the City copies of management letters the auditor prepares for the Grantee as a part of the audit engagement.

5. All audits must be done by Certified Public Accountants currently certified to practice in the State of California. Grantee must have proof of current licensing included at the time the audit is submitted to the City. A certification to practice in California must accompany the audit when submitted to the City.

6. In the event that the result of any such audit shows a discrepancy from the Project Budget or misuse of funds equal to five percent (5%) or less of the Grant Award, then the cost of the audit shall be borne fifty-fifty (50% by Grantee and 50% by the City). In the event that the result of any such audit shows a discrepancy from the Project Budget or misuse of funds equal to more than five percent (5%) of the Grant Award, then Grantee shall be responsible for the entire cost of the audit.

Notwithstanding the foregoing, the City shall have the right for any reason whatsoever to perform, or cause to be performed an independent audit. Such audits may cover programmatic as well as fiscal matters. Grantee will be afforded an opportunity to respond to any audit findings, and have the responses included in the final audit report. Costs of such independent audits shall be borne by the City.

e. Disallowed Costs. Grantee is liable for repayment of disallowed costs as determined by the City. Disallowed costs may be identified through audits, monitoring or other sources.

## **8. ASSIGNMENT; COLLABORATION WITH SERVICE PARTNER**

a. Grantee shall not assign any rights or duties under this Agreement to a third party without the express prior written consent of City, in City's sole and absolute discretion. Consultant agrees that the City shall have the right to approve any and all subcontractors and subconsultants to be used by Consultant in the performance of this Agreement before Consultant contracts with or otherwise engages any such subcontractors or subconsultants.

b. Notwithstanding the foregoing, to the extent set forth and described in the Scope of Services, Grantee may work with collaborative service partners, which may include any entity that will share resources that impact the delivery of the proposed services (such as school sites and school districts where services may be provided, as well as other non-profit community service organizations), provided that Grantee shall first enter into a written agreement with any collaborative partner ("Service Partner Agreement") in the form provided by the City.

## **9. RELATIONSHIP OF PARTIES**

It is understood and agreed by and between the parties that Grantee in the performance of this Agreement, shall not act nor is it at any time authorized to act, as the agent or representative of the City in any matter. Grantee further agrees that it will not in any manner hold itself out as the agent or representative of the City or act in such a fashion as would give the impression to a reasonable person that Grantee is acting in such a capacity.

## **10. INDEMNITY**

Grantee shall, to the fullest extent permitted by law, indemnify, protect, defend and hold harmless City, and its employees, officials and agents ("Indemnified Parties") from all claims, demands, costs or liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, interest, defense costs, and expert witness fees), that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Grantee, its officers, employees, agents or volunteers, in the performance of services related to this Agreement, excepting only liability arising from the sole negligence, active negligence or intentional misconduct of City. If there is a possible obligation to indemnify, Grantee's duty to defend exists regardless of whether it is ultimately determined that there is no obligation to indemnify. The existence or acceptance by City of insurance policies or coverages described in this Agreement shall not affect or limit any of the City's rights under this agreement. This Section shall survive expiration or sooner termination of this Agreement.

- a. Insurance Requirements.** During the entire term of this Agreement, GRANTEE shall maintain the insurance coverage described in this Section 10.

Full compensation for all premiums that Grantee is required to pay for the insurance

coverage described herein shall be included in the compensation specified for the Services provided by Grantee under this Agreement. No additional compensation will be provided for Grantee's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

It is understood and agreed by the Grantee that its liability to the City shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Grantee in connection with this Agreement.

a. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Grantee, its sub-consultants, and subcontractors, products and completed operations of Grantee, its sub-consultants, and subcontractors, and premises owned, leased, or used by Grantee, its sub-consultants, and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage, and personal injury, with limits of not less than one million dollars (\$1,000,000) per accident. The policy shall provide coverage for owned, non-owned, and/or hired autos as appropriate to the operations of the Grantee.

No automobile liability insurance shall be required if Grantee completes the following certification:

"I certify that a motor vehicle will not be used in the performance of any work or services under this agreement." \_\_\_\_\_  
(Grantee initials)

- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City. If no work or services will be performed on or at City facilities or City Property, the City Representative may waive this requirement by selecting the option below:

Workers' Compensation waiver of subrogation in favor of the City is not required. \_\_\_\_\_ (City Representative initials)

No Workers' Compensation insurance shall be required if Grantee completes the following certification:

"I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation insurance." \_\_\_\_\_ (Grantee initials)

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Grantee, its sub-consultants, and subcontractors; products and completed operations of Grantee, its sub-consultants, and subcontractors; and premises owned, leased, or used by Grantee, its sub-consultants, and subcontractors.
- (2) Automobile Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Grantee's insurance coverage, including excess insurance, shall be primary insurance as respect to City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by City, its officials, employees, or volunteers shall be in excess of Grantee's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees, or volunteers.
- (3) Coverage shall state that Grantee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) City will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.



D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the City in writing prior to execution of this Agreement.

E. Verification of Coverage

(1) Grantee shall furnish City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the City representative named in Exhibit A. Copies of policies shall be delivered to the City on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.

(2) For all insurance policy renewals during the term of this Agreement, Grantee shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento

c/o Ebix RCS

Reference #: (This number will be provided by EBIX after Agreement approval.)

PO Box 257

Portland, MI 48875-0257

Insurance certificates also may be faxed to (770) 325-3340, or e-mailed to:

CertsOnly-Portland@ebix.com

(3) The City may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The City may withhold payments to Grantee or cancel the Agreement if the insurance is canceled or Grantee otherwise ceases to be insured as required herein.

F. Subcontractors

Grantee shall require and verify that all sub-consultants and subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

## **11. INDEPENDENT CONTRACTOR**

a. It is understood and agreed that Grantee (including Grantee's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Grantee nor Grantee's assigned personnel shall be entitled to any benefits payable to employees of City. City is not required to make any deductions or withholdings from the Grant Award. As an independent contractor, Grantee hereby agrees to indemnify and hold City harmless from any and all claims that may be made against City based upon any contention by any of Grantee's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any services under this Agreement.

b. If, in the performance of this Agreement, any third persons are employed by Grantee, such persons shall be entirely and exclusively under the direction, supervision, and control of Grantee. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Grantee. It is further understood and agreed that Grantee shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of Grantee's assigned personnel and subcontractors.

c. The provisions of this section shall survive any expiration or termination of this Agreement.

## **12. TERM, TIME OF PERFORMANCE, SUSPENSION, TERMINATION FOR CAUSE, TERMINATION WITHOUT CAUSE**

a. This Agreement shall become effective on the date that it is made, set forth on the first page of the Agreement, and shall expire on October 31, 2016 ("Term"), unless sooner terminated as provided herein.

b. The Program shall be conducted in accordance with the schedule set forth in Exhibit A and shall be completed by October 31, 2016.

c. City shall have the right at any time to temporarily suspend Grantee's performance hereunder, in whole or in part, by giving a written notice of suspension to Grantee. If City gives such notice of suspension, Grantee shall immediately suspend its activities under this Agreement, as specified in such notice.

d. Manager may, with or without prior notice to Grantee, at any time in his or her

absolute discretion, elect to suspend or terminate payment to Grantee, in whole or in part, terminate work or expenditures by Grantee, under this Agreement, or not to make any particular payment under this Agreement or take any other action available in the event of any of the following occurrences:

1. If Grantee (with or without knowledge) made any material misrepresentation of any nature with respect to any information or statements furnished to City in connection with this Agreement;
2. If there is pending litigation with respect to the performance by Grantee of any of its duties or obligations under this Agreement which may materially jeopardize or adversely affect the undertaking of or the carrying out of the Program;
3. If Grantee, without having obtained City approval, has taken any action pertaining to the Program, which requires City approval;
4. If Grantee makes improper use of the Grant Award;
5. If Grantee fails to comply with any of the terms and conditions of this Agreement including without limitation, Grantee's failure to carry out the Program.
6. If Grantee submits to City any report which is incorrect or incomplete in any respect, or is untimely.
7. Each of Grantee's obligations under this Agreement shall be deemed material.

e. This Agreement may be terminated by either party by giving thirty (30) days notice to the other in writing of its intent to terminate the Agreement.

Upon such notice, Grantee shall cease any further work related to this Agreement. Nothing in this Agreement shall be deemed to be a waiver of the City's right to recover from Grantee any portion of the Grant Award that has not been spent in accordance with this Agreement or that has not been spent as of the date of notice under this subsection.

### **13. STANDARD OF PERFORMANCE**

Grantee shall perform all services performed under this Agreement in the manner and according to the standards currently observed by a competent practitioner of Grantee's profession in California. Grantee shall assign only competent personnel to perform services under this Agreement. Grantee shall notify City in writing of any changes in Grantee's staff assigned to perform the services under this Agreement prior to any such performance. In the event that City, at any time, desires the removal of any person assigned by Grantee to perform services under this Agreement, because City, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, Grantee shall

remove such person immediately upon receiving notice from City of the desire of City for the removal of such person.

#### **14. CONFLICTS OF INTEREST**

Grantee covenants that neither it, nor any officer or principal of its corporation, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of City or that would in any way hinder Grantee's performance of services under this Agreement. Grantee further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of City. Grantee agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City at all times during the performance of this Agreement.

#### **15. CONFIDENTIALITY OF CITY INFORMATION**

During performance of this Agreement, Grantee may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City. Grantee agrees to protect all City Information and treat it as strictly confidential, and further agrees that Grantee shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of City. In addition, Grantee shall comply with all City policies governing the use of the City network and technology systems. A violation by Grantee of this Section 14 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

Grantee shall maintain the confidentiality of information gathered and all records generated under this Agreement pursuant to applicable Federal and State laws, subject, however, to reports to child abuse reporting agencies required by law.

#### **16. MISCELLANEOUS**

a. Entire Agreement. This Agreement contains the entire agreement between the parties. Any and all verbal or written agreements made prior to the date of this Agreement are superseded by this Agreement and shall have no further effect.

b. Modification. No modification or change to the terms of this Agreement will be binding on a party unless in writing and signed by an authorized representative of that party.

c. Compliance with Laws. Grantee shall perform all services described herein in compliance with all applicable federal, state and local laws, rules, regulations, and ordinances, including but not limited to, (i) the Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) ("ADA"),

and any regulations and guidelines issued pursuant to the ADA; and (ii) Labor Code sections 1720, *et seq.*, which require prevailing wages (in accordance with DIR determinations at [www.dir.ca.gov](http://www.dir.ca.gov)) be paid to any employee performing work covered by Labor Code sections 1720 *et seq.*

d. Non-discrimination. Except as permitted by law, Grantee shall not, because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status of any person, refuse to hire or employ the person or refuse to select the person for a training program leading to employment, or bar or discharge the person from employment or from a training program leading to employment, or discriminate against the person in compensation or in terms, conditions, or privileges of employment.

e. Governing Law; Venue. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such court, and consent to service of process issued by such court.

f. Waiver of Rights. Any grant award or acceptance by City of any service performed by Grantee under this Agreement, any waiver by City of any default, breach or condition precedent, shall not be construed as a waiver of any provision of this Agreement by City, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

g. Successor and Assigns. Grantee binds itself, its partners, successors, legal representatives and assigns to City with respect to all promises and agreements contained herein.

h. Incorporation of attachments and exhibits. The attachments and exhibits to this Agreement are incorporated and made part of this Agreement, subject to terms and provisions herein contained.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first herein above set forth.

**GRANTEE**

Name of Agency: \_\_\_\_\_

**TYPE OF BUSINESS ENTITY (check one):**

- ☐ Individual/Sole Proprietor  
☐ Partnership  
☐ Corporation  
☐ Limited Liability Company  
☐ Other (please specify: \_\_\_\_\_)

*Signatures of Authorized Persons:*

By: 

Print Name: Derrell K. Roberts

Title: C.E.O.

**Attachments:**

Exhibit A – Scope of Services

Exhibit B – Budget and Budget Narrative

**CITY OF SACRAMENTO,**  
a municipal corporation

By: \_\_\_\_\_

John F. Shirey,  
City Manager

**APPROVED AS TO FORM:**

By: \_\_\_\_\_

City Attorney's Office

**Meeting Date:** 4/14/2016

**Report Type:** Public Hearing

**Report ID:** 2016-00355

**Title:** Third Party Appeal: Valero Beer and Wine Sales (Noticed 04/01/2016)

**Location:** 3211 Riverside Boulevard, District 4

**Recommendation:** Conduct a public hearing and upon conclusion pass 1) a Resolution approving the determination that the project is exempt from California Environmental Quality Act; and 2) a Resolution approving a Conditional Use Permit to allow the sale of beer and wine within an existing 1,440 square foot convenience store on a 13,320 square foot (0.31 acre) site in the General Commercial (C-2) zone.

**Contact:** Teresa Haenggi, Associate Planner, (916) 808-7554, Community Development Department

**Presenter:** Teresa Haenggi, Associate Planner, (916) 808-7554, Community Development Department

**Department:** Community Development Dept

**Division:**

**Dept ID:**

**Attachments:**

- 1-Description/Analysis
- 2-Background
- 3-Resolution (Exemption)
- 4-Resolution (CUP)
- 5-Exhibit 1 Plans
- 6-Appeal Form Filed
- 7-Planning and Design Commission Report

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### **City Attorney Review**

Approved as to Form  
Jeffrey Heeren  
4/5/2016 1:56:17 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Ryan Devore - 3/23/2016 12:23:49 PM

## **Description/Analysis**

**Issue Detail:** The Valero Beer and Wine Sales project is a request for a Conditional Use Permit (CUP) to sell beer and wine for off-site consumption at an existing convenience store and gas station. This project was heard at the Planning and Design Commission on February 25, 2016 where the Commission approved the project (8 votes of approval, 0 votes against, 3 absent). The project is before the City Council on an appeal by a third party who is a resident and property owner located near the project site.

The applicant has presented his project to the Land Park Community Association and the president of the Upper Land Park Neighborhood Association met with the applicant at the project site. The Land Park Community Association supported the request. The Upper Land Park Neighborhood Association has not expressed opposition to the project.

On February 16, the applicant conducted a community outreach meeting at Vic's café, sending invitations to all property owners within 300 feet of the project site. Approximately 15 community members attended as did City Planning staff and a representative from the Police Department.

Several community members expressed concern about the proposed beer and wine sales. A copy of the comments received is provided in the attached staff report written for the Planning and Design Commission hearing.

### **Policy Considerations:**

The subject site is designated as Traditional Center in the General Plan Land Use and Urban Form Diagram. The Traditional Center designation provides for walkable traditional neighborhoods that provide essential daily services within walking distance of surrounding residents. The General Plan goal for Traditional Centers is to promote traditional centers where people can shop and socialize within walking distance of surrounding neighborhoods (LU 5.3).

The existing commercial area where the project is located is well established with uses that support the General Plan goal for traditional centers, including an ice cream parlor, a café, small retail stores, commercial services, a gymnastics school and the subject convenience market. While alcohol sales are not directly addressed in the General Plan, staff does not believe that the proposed sale of beer and wine for off-site consumption at the existing Valero convenience store is inconsistent with the General Plan.

The Public Health and Safety Policy Element of the General Plan contains the following policy that addresses development:



Policy PHS 1.1.7 – Development Review. The City shall continue to include the Police Department in the review of development projects to adequately address crime and safety, and promote the implementation of Crime Prevention through Environmental Design principles.

The Police Department reviewed the proposal and conducted a site visit to the proposed site. The Police Department does not oppose the project and placed conditions of approval on the project to address potential crime and safety issues.

**Economic Impacts:** None.

**Environmental Considerations:** The Environmental Services Manager has determined the project is exempt from environmental review pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines. Section 15301 covers the permitting and operation of existing private structures involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The project consists of approval to allow beer and wine sales for off-site consumption in an existing private structure. Staff has reviewed the application and has concluded that no new significant effects would result. The trip generation source (Institute of Traffic Engineers) for the land use "Convenience Market With Gasoline Pumps" includes alcohol sales in the average rate for all convenience market sites, and no anticipated significant increase in trips would occur. No new significant effect would result from approval.

**Sustainability:** Not applicable.

**Commission/Committee Action:** The item was heard at the Planning and Design Commission on February 25, 2016. After taking public testimony and modifying the conditions to more fully address good neighbor policies, landscaping, lighting, and location of beer and wine products, the Planning and Design Commission approved the project (8 votes of approval, 0 votes against, 3 absent).

**Rationale for Recommendation:** Staff recommends approval of the project, because the project: a) is consistent with the General Plan designation of Traditional Center and the General Commercial (C-2) zone; b) has been conditioned to address any potential negative impacts on the surrounding community; and, c) has been reviewed by the Police Department and required to ensure proper security, lighting, and good neighbor policies for the site.

**Financial Considerations:** Not applicable.

**Local Business Enterprise (LBE):** Not applicable.

## **Background Summary**

The application requesting a Conditional Use Permit for the sale of beer and wine for off-site consumption at the existing Valero convenience store and fuel station was submitted on July 29, 2015. The convenience store has been in operation at 3211 Riverside Boulevard since 2004. That same year, an application was submitted for the sale of beer and wine for off-site consumption. The application was withdrawn prior to any action being taken on the request. In 2009, a Minor Modification to a deemed Special Permit was approved by the Zoning Administrator allowing the installation of a new clean air separator canister. There is no other recent entitlement history on this site.

## **Land Use**

To approve Conditional Use Permit proposals, the following findings must be made under Planning and Development Code section 17.808.200.C:

1. The proposed use and its operating characteristics are consistent with the general plan and any applicable specific plan or transit village plan; and
2. The proposed use and its operating characteristics are consistent with the applicable standards, requirements, and regulations of the zoning district in which it is located, and of all other provisions of this title and this code; and
3. The proposed use is situated on a parcel that is physically suitable in terms of location, size, topography, and access, and that is adequately served by public services and utilities; and
4. The proposed use and its operating characteristics are not detrimental to the public health, safety, convenience, or welfare of persons residing, working, visiting, or recreating in the surrounding neighborhood and will not result in the creation of a nuisance.

To approve a Conditional Use Permit for alcohol sales for off-premises consumption, additional findings under Planning and Development Code section 17.228.108.A.1 must be met:

1. The proposed alcoholic beverage sales will not adversely affect the peace or general welfare of the surrounding neighborhood;
2. The proposed alcoholic beverage sales will not result in undue concentration of establishments dispensing alcoholic beverages;
3. The proposed alcoholic beverage sales will not enlarge or encourage the development of a skid row or blighted area; and

4. The proposed alcoholic beverage sales will not be contrary to or adversely affect any program of redevelopment or neighborhood conservation.

The Planning and Development Code also requires the consideration of whether the proposed use will detrimentally affect nearby residentially zoned areas, and give consideration to the distance of the proposed use from residential buildings, churches (and faith congregations), schools, hospitals, parks and playgrounds, childcare centers, social services, and other similar uses (see section 17.228.108.A.2). There are no minimum distance requirements for the separation of alcohol sales and these sensitive uses.

The Valero convenience store and fuel station is located on the southeast corner of Riverside Blvd. and 8th Avenue. Vic's Ice Cream is located directly across 8th Avenue to the north of the project site. Other commercial uses, including Vic's Café, are also located north of the project. To the west, directly across Riverside Blvd., is a commercial center that includes retail stores, commercial services, and a gymnastics school. A retail use is located to the south of the project site. The commercial area is surrounded by residential uses, primarily single-unit dwellings, though a multi-unit dwelling is located adjacent to the east of the project site. A bus stop is located in front of the project site on Riverside Blvd. Figure 1 provides a map of the uses adjacent to the project site.

**Figure 1: Land Uses near Project Site**



The nearest park, William Land Park, and a synagogue are located approximately 1,000 feet to the south of the project. Crocker/ Riverside Elementary School is located approximately 1,000 feet to the north. As mentioned earlier, the area is primarily residential, except for the commercial area on Riverside where the project is located.

### Key Issues

Although a majority of the feedback received on the project has been in opposition to the sale of beer and wine, staff also received several e-



mails and spoke to individuals who expressed support for the project. The main reasons cited for supporting the project is to support local businesses and for the convenience of being able to walk to the store to purchase alcohol. Additionally, one individual stated that he originally had concerns about the project, but now felt that the alcohol sales would not be a problem as long as conditions are met.

The comments received in opposition to the proposed sale of beer and wine for off-premises consumption are summarized below:

- The proposed use is not compatible with the surrounding area, which is predominantly residential and family-oriented.
- There are several nearby retail establishments that already sell alcohol and additional alcohol sales are not needed.
- The sale of alcohol may attract nuisances, such as loitering and drinking at the bus stop.
- The sale of alcohol will contribute to an increasing vagrant presence in the area.
- The proposed use is in close proximity to uses that are frequented by children, e.g. schools, a religious assembly, an ice cream parlor, a public park and a gymnastics school.
- The area surrounding the site of the proposed use has a high level of pedestrian traffic and pedestrians' safety may be compromised by the proposed use.
- Alcohol sales will increase area crime such as car break-ins, car thefts, and burglary.

The project evaluation includes the consideration of sensitive uses near the project site such as parks and schools, because there is a concentration of a vulnerable population at these locations that may be negatively impacted by alcohol sales. The project site is approximately 1,000 feet or more from local schools and parks.



**Figure 2: Area Land Use Map**

Neighbors report that many of the children who live in the neighborhood where the project is located often walk to school or the park. Also, there are uses directly to the west (a gymnasium school) and the north (an ice cream shop) of the project site that are frequented by children.

The sale of alcohol is highly regulated because of the potential negative effect that alcohol can have. In the case of alcohol sales for off-site consumption in a small retail store, a conditional use permit is required so that staff can impose conditions on the proposed project to address nuisance behavior and to prevent it from escalating into criminal behavior. Planning staff works closely with the Police Department in developing conditions for projects proposing alcohol sales. The conditions serve as crime-prevention measures and are summarized below:

- Hours of alcohol sales are restricted to Monday through Friday, 6:00 a.m. to 10:00 p.m.; and Saturday and Sunday, 6:30 a.m. to 9:30 p.m.
- Beer can only be sold in six-packs or more (no singles), wine in containers no less than 750 ml, and wine coolers in no less than packs of 4.
- The sale of beer and wine is limited to the area adjacent to the cashier so that it can be easily supervised by Valero employees.
- A video surveillance system is required for both internal and external areas of the site.
- The videos must be recorded and stored in order to assist in monitoring the site as well as assisting the Police Department in deterring criminal activity both on site and in the surrounding area.
- Lighting is required to ensure the site is well lit and all activities on the site are visible.
- The applicant is to immediately address nuisance activities or law enforcement related issues.
- Graffiti is to be quickly immediately and trash to be picked up on a regular bases.
- The windows of the store are not to be overly cluttered so that employees can watch the site and the immediate neighborhood, and so law enforcement can see into the store.

The intent of these conditions is to ensure that the Valero convenience store continues to be positive contributor to the community and that the activities at the project site do not compromise the safety or quality of life of the neighborhood, particularly the children. It should be noted here that conditions are in place as long as alcohol is sold at

that site, regardless of who the owner is. In doing this, staff ensures that the operators will continue to be vigilant and valuable neighbors.

Staff does not anticipate pedestrian safety would be degraded with the proposed sale of beer and wine because such sales would not increase traffic to any significant degree. Additionally, the site has planters that separate the parking lot from the sidewalks, thus protecting the pedestrians and only allowing ingress/egress to the site at the appropriate designated areas.

The Police Department also addressed concerns of over-concentration of alcohol sales in the area by visiting the site and conducting research on area crime and reviewing comments received from the community. Based on this analysis, the Police Department issued a Letter of Public Convenience or Necessity which indicates the proposed use would likely not impact crime in the area.

As conditioned, staff does not believe the proposed sale of beer and wine would have detrimental effects on the peace and welfare of the surrounding neighborhood. Furthermore, the Police Department does not oppose the project and believes the conditions of approval for this project would reduce the potential for nuisance activities or law enforcement related issues that could be associated with alcohol sales.

### **Alcohol Beverage Control (ABC) License**

The applicant is applying for a Type 20 license, which allows for sale of beer and wine for off-site consumption. The Police Department provided a letter to the Alcohol Beverage Control Agency stating that they completed an investigation for Valero convenience store and feel that Public Convenience or Necessity would be served.

### **Building Design and Signage**

No exterior modifications or site improvements are proposed as a part of this project. Any future modifications to the exterior of the building will have to be reviewed and approved by Planning and Design Staff. No signage has been proposed at this time and any future signage will require a sign permit.

## **RESOLUTION NO.**

Adopted by the Sacramento City Council

### **DETERMINING THE SALE OF BEER AND WINE AT AN EXISTING CONVENIENCE STORE IN THE GENERAL COMMERCIAL (C-2) ZONE (P15-042) IS EXEMPT UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

#### **BACKGROUND**

- A. On February 25, 2016, the Planning and Design Commission conducted a public hearing on and approved a conditional use permit for the sale of beer and wine in the General Commercial (C-2) zone.
- B. On March 7, 2016, a third party appeal on the decision of the Planning and Design Commission to approve a conditional use permit for the sale of beer and wine in the General Commercial (C-2) zone project was filed with the City.
- C. On April 14, 2016, the City Council conducted a public hearing, for which notice was given pursuant Sacramento City Code Section 17.812.030(B)(2) and (B)(3) (posting and mail), and received and considered evidence concerning the request for a conditional use permit for the sale of beer and wine in the General Commercial (C-2) zone.

#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

Section 1. Based on the determination and recommendation of the City's Environmental Planning Services Manager and the oral and documentary evidence received at the hearing on the Project, the City Council finds that the Project is exempt under Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines, as follows:

- a. Section 15301 covers the permitting and operation of existing private structures involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The project consists of approval to allow beer and wine sales for off-site consumption in an existing private structure and does not propose to expand the square footage of the commercial space or the retail use. The project would not result in any new significant effects and no anticipated significant increase in trips would occur. No new significant effect would result from approval.

## RESOLUTION NO. 2016-

Adopted by the Sacramento City Council

### ADOPTING THE FINDINGS OF FACT AND APPROVING A CONDITIONAL USE PERMIT FOR THE SALE OF BEER AND WINE AT 3211 RIVERSIDE BLVD. (APN 012-0341-044) (P15-042)

#### BACKGROUND

- A. On February 25, 2016, after conducting a public hearing, the City Planning and Design Commission approved a Conditional Use Permit for the sale of beer and wine (P15-042) at 3211 Riverside Blvd.
- B. On March 7, 2016, a third party, Mr. Barry Scarff, appealed the decision of the City Planning and Design Commission.
- C. On April 14, 2016, after giving notice as required by the Sacramento City Code section 17.812.030, the City Council conducted a public hearing on the Project, receiving and considering evidence concerning it.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. Based on the verbal and documentary evidence received at the hearing on the Valero Beer and Wine Sales project, the City Council approves the Project entitlements based on the findings of fact and subject to the conditions of approval as set forth below.

Section 2: The City Council approves the Project entitlements based on the following findings of fact:

- A. The **Conditional Use Permit** to allow the sale of beer and wine in an existing building on a 13,320 square foot (.31 acre) parcel in the General Commercial (C-2) zone **is approved** subject to the following Findings of Fact:
  - 1. The proposed use and its operating characteristics are consistent with the general plan designation of Traditional Center; and
  - 2. The proposed use and its operating characteristics are consistent with the applicable standards, requirements, and regulations of the General Commercial (C-2) zone in which it is located, and of all other provisions of the city code; and
  - 3. The proposed use is situated on a parcel that is physically suitable in terms of location, size, topography, and access, and that is adequately served by public services and utilities; and



4. The proposed use and its operating characteristics are not detrimental to the public health, safety, convenience, or welfare of persons residing, working, visiting, or recreating in the surrounding neighborhood and will not result in the creation of a nuisance in that it is compatible with the variety of uses that are in the surrounding area, and is conditioned to ensure that the business will contribute positively to the surrounding area; and
5. The proposed use will not adversely affect the peace or general welfare of the surrounding neighborhood in that the proposed use is consistent with the Traditional Center designation's vision for neighborhood serving commercial uses; and
6. The proposed use will not result in undue concentration of establishments dispensing alcoholic beverages, as determined by the Police Department based on its review of the project and site visit; and
7. The proposed use will not enlarge or encourage the development of a skid row or blighted area in that the sale of alcohol will be supervised, the Police Department conditioned the project to include crime deterring mechanisms such as a surveillance system, and the commercial space will have limited hours of operation; and
8. The proposed use will not be contrary to the General Plan, which designates the site as the Traditional Center designation, which allows retail uses.

### **Conditions Of Approval**

- A. The Conditional Use Permit** to allow the sale of beer and wine in the General Commercial (C-2) zone **is approved** based on the following conditions of approval:

#### **Planning**

- A1. A sign that complies with the city code and displays a 24-hour emergency phone number and contact person shall be kept current and posted on the building storefront as a Good Neighbor Policy measure.
- A2. The applicant shall provide the Land Park Neighborhood Association and the Upper Land Park Neighbors a current 24-hour emergency phone number and contact person as a Good Neighbor Policy measure.
- A3. The hours of alcohol sales shall be limited to Monday through Friday, 6:00 a.m. to 10:00 p.m.; and Saturday and Sunday, 6:30 a.m. to 9:30 p.m. Any requests to modify these hours shall require additional planning review and approval.
- A4. The location of the beer and wine shall be located behind the counter and located in the area shown on the approved plans shown as Exhibit A, attached and incorporated by this reference.

- A5. The shelf space allowed for the sale of beer and wine shall be limited to the area labeled on the approved plans as a “wine cooler” and “beer cooler”.
- A6. Any modification to the attached plans shall be subject to review and approval by Planning Department staff prior to the issuance of building permits.
- A7. Any future exterior modifications to the building shall be reviewed and approved by Planning and Design Staff.

#### Police Department

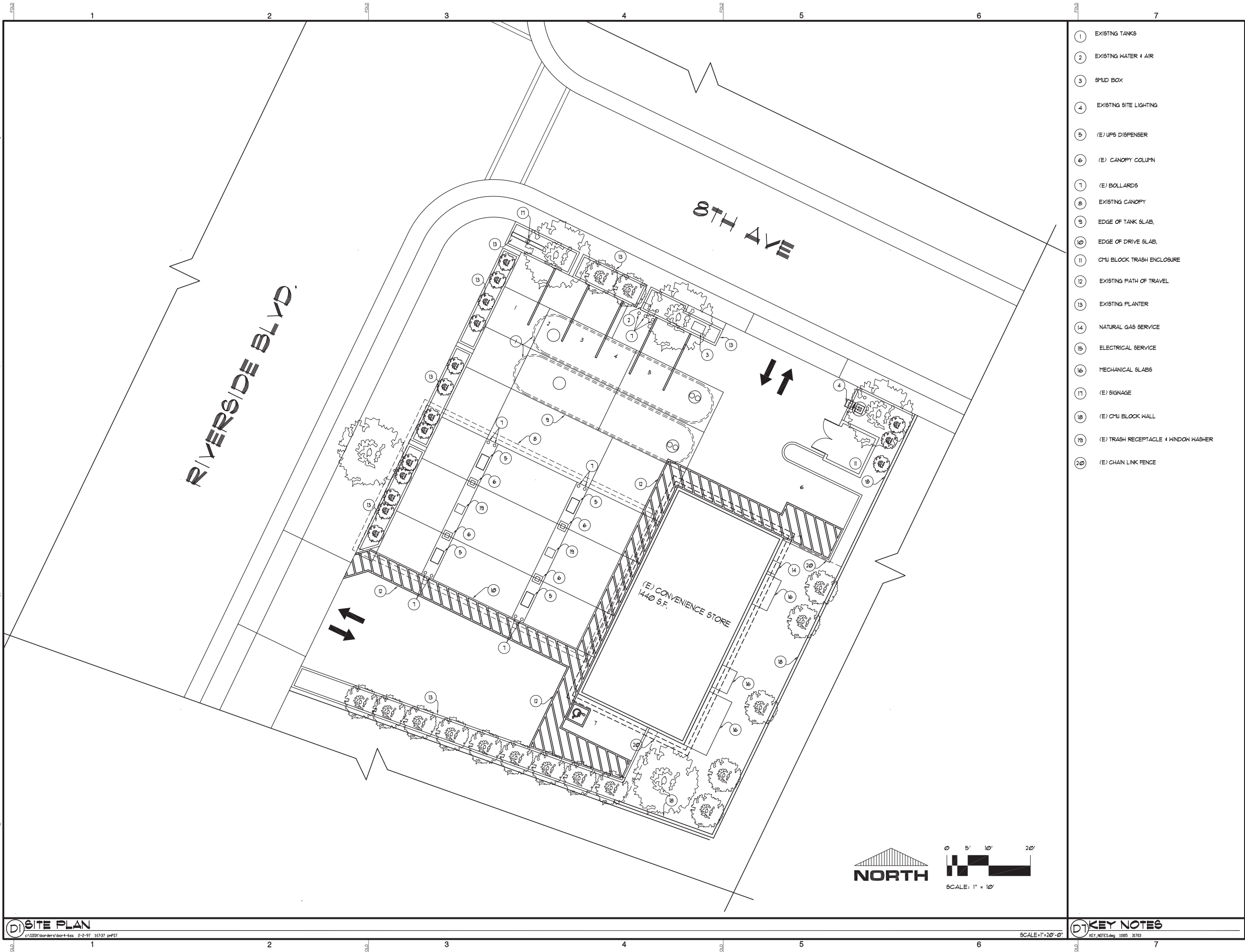
- A8. Exterior lighting shall be white light (e.g. metal halide, LED, fluorescent, or induction) using cutoff or full cutoff fixtures to limit glare and light trespass. Exterior lighting shall be maintained and operational and shall meet IESNA standards. A lighting plan shall be provided to the Sacramento Police Department CPTED Sergeant (or designee) prior to selling beer and wine.
- A9. All mature landscaping shall follow the two foot six foot rule. All landscaping shall be ground cover, two feet or less and lower tree canopies of mature trees shall be above six feet. This increases natural surveillance and eliminates hiding areas within the landscape. Tree canopies shall not interfere with or block lighting. This creates shadows and areas of concealment.
- A10. UL listed central station silent robbery alarm system shall be employed at all points of sale, the manager’s office, and near the safe(s). Cellular back-up is recommended.
- A11. All solid core exterior doors shall be equipped with a 180 degree viewing device to screen persons before allowing entry, and shall remain locked at all times except for emergencies and deliveries.
- A12. Height markers are required on the interior doorway.
- A13. If replaced, fences shall be of decorative tubular steel, no climb type.
- A14. Recorded Video Assessment and Surveillance System (VASS) shall be employed.
- A15. Cameras and VASS storage shall be digital high definition or better.
- A16. VASS storage shall be kept off-site or in a secured area accessible only to management.
- A17. VASS shall support standard MPEG formats.
- A18. VASS shall be capable of storing no less than 30 days worth of activity.
- A19. Manager with access to VASS storage shall be able to respond within 30 minutes during business hours.
- A20. Manager shall have the ability to transfer recorded data to another medium (e.g. DVD, thumb drive, etc.).
- A21. Cameras shall be equipped with low light capability, auto iris and auto focus.

- A22. Television style monitors shall be mounted in a visible location near the entrance so that patrons can clearly see that their activities are being monitored.
- A23. VASS shall provide comprehensive coverage of:
- all points of sale
  - safe
  - manager's office
  - areas of ingress and egress (doors, driveways)
  - alcohol placement areas
  - parking lot and pumps
  - areas not clearly visible from public streets
  - coverage of all four (4) exterior sides of the property
  - adjacent public rights of way (Riverside Blvd and 8<sup>th</sup> Ave)
  - at least one camera shall be positioned to get a front face shot (e.g. height strip camera)
- A24. Sales of beer and malt beverages shall be in quantities of not less than a six-pack.
- A25. Sales of wine shall be in containers of at least 750 ml.
- A26. Wine coolers, whether made for wine or malt products, shall not be sold in quantities of less than factory packs of four.
- A27. No distilled spirits shall be sold.
- A28. Electronic "point of sale" age verification system is required, including:
- scans and authenticates ID
  - identifies fake IDs
  - detects "double use" or ID passing
  - records dates and times of entry
  - has the ability to create a "banned patron" list
- A29. No more than 33 percent of the square footage of the windows and clear doors shall be blocked by advertising, signs, shelves or anything else. All advertising, signs, and shelving shall be placed and maintained in a manner that ensures that law enforcement personnel have a clear and unobstructed view of the interior of the premises, including the area in which the cash registers are maintained, from the exterior public sidewalk or entrance to the premises.
- A30. The name of the store shall be printed on all receipts.
- A31. No public pay phones/telephones shall be allowed on the premises.
- A32. No coin operated games or video machines shall be allowed on the premises.
- A33. The applicant shall post a No Trespassing and No Loitering sign on the property.

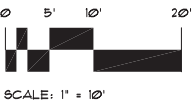
- A34. The applicant is responsible for reasonably controlling the conduct of persons on the site and shall immediately disperse loiterers.
- A35. Applicant must comply with all laws and regulations related to the distribution of alcoholic beverages, including not selling, furnishing, giving or causing to be sold, furnished or given away, any alcoholic beverages to any habitual drunkard, or to any obviously intoxicated person.
- A36. All dumpsters shall be kept locked.
- A37. Trash receptacles shall be of a design to prevent unauthorized removal of articles from the trash bin.
- A38. Any graffiti painted or marked upon the premises or on any adjacent area under the control of the applicant shall be removed or painted over within 72 hours of being applied.
- A39. The applicant shall be responsible for the daily removal of all litter from the site and adjacent sidewalks.

#### Exhibits

- A. Project Plans is a part of this resolution.



- 1 EXISTING TANKS
- 2 EXISTING WATER & AIR
- 3 MUD BOX
- 4 EXISTING SITE LIGHTING
- 5 (E) UPS DISPENSER
- 6 (E) CANOPY COLUMN
- 7 (E) BOLLARDS
- 8 EXISTING CANOPY
- 9 EDGE OF TANK SLAB,
- 10 EDGE OF DRIVE SLAB,
- 11 CMU BLOCK TRASH ENCLOSURE
- 12 EXISTING PATH OF TRAVEL
- 13 EXISTING PLANTER
- 14 NATURAL GAS SERVICE
- 15 ELECTRICAL SERVICE
- 16 MECHANICAL SLABS
- 17 (E) SIGNAGE
- 18 (E) CMU BLOCK WALL
- 19 (E) TRASH RECEPTACLE & WINDOW WASHER
- 20 (E) CHAIN LINK FENCE



**KEY NOTES**

KEY NOTES.dwg 11005 31793

**SUTTON  
&  
ASSOCIATES, INC.**  
ENVIRONMENTAL DESIGN  
PLANNING

1441 LAS SALINAS WAY  
SACRAMENTO, CA 95864  
TELE (916) 993-6075  
FAX (916) 993-6074



TYPE OF PROJECT: LICENSING

**RIVERSIDE VALERO**  
**3211 RIVERSIDE BLVD.,**  
**SACRAMENTO, CA 95818**

**RIVERSIDE VALERO**  
3211 RIVERSIDE BLVD.  
SACRAMENTO, CA 95818  
PHONE: (950) 454-6521 FAX: (XXX) XXX-XXX  
CONTACT: RAYI SABANEH

REVISION	BY

DATE: 7/23/2015  
DRAWN BY: MGF  
JOB NO: 1522

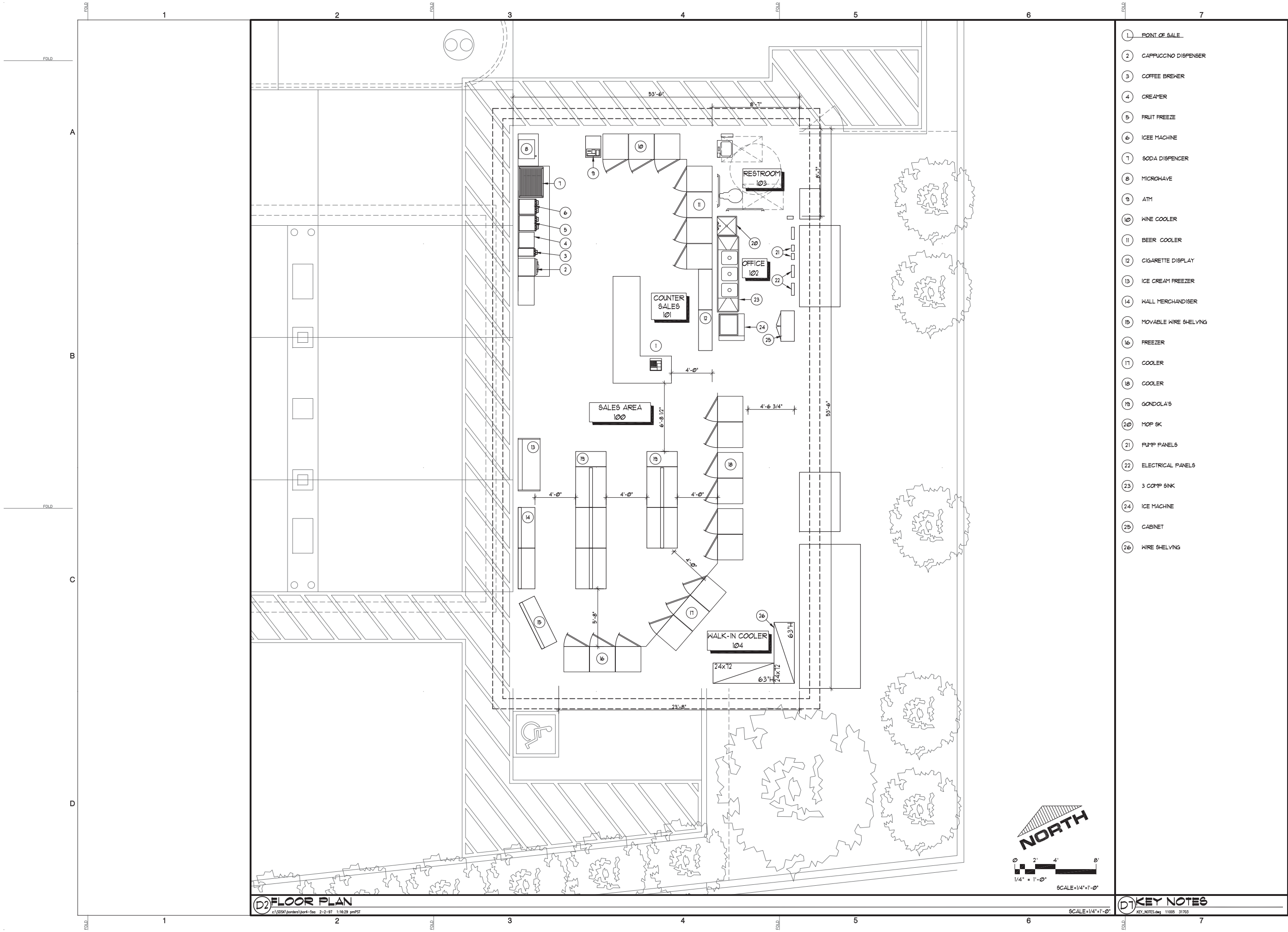
SHEET  
**A1**  
1 OF 3 SHEETS



**SITE PLAN**

c:\3330\boards\bor4-fss 2-2-97 11737 p051

SCALE=1"=20'-0"



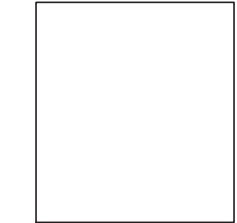
- 1 POINT OF SALE
- 2 CAPPUCCINO DISPENSER
- 3 COFFEE BREWER
- 4 CREAMER
- 5 FRUIT FREEZE
- 6 ICEE MACHINE
- 7 SODA DISPENSER
- 8 MICROWAVE
- 9 ATM
- 10 WINE COOLER
- 11 BEER COOLER
- 12 CIGARETTE DISPLAY
- 13 ICE CREAM FREEZER
- 14 WALL MERCHANDISER
- 15 MOVABLE WIRE SHELVING
- 16 FREEZER
- 17 COOLER
- 18 COOLER
- 19 GONDOLA'S
- 20 MOP SK
- 21 PUMP PANELS
- 22 ELECTRICAL PANELS
- 23 3 COMP SINK
- 24 ICE MACHINE
- 25 CABINET
- 26 WIRE SHELVING

D2 FLOOR PLAN

D1 KEY NOTES

**SUTTON & ASSOCIATES, INC.**  
ENVIRONMENTAL DESIGN PLANNING

1441 LAS SALINAS WAY  
SACRAMENTO, CA 95864  
TELE (916) 993-6075  
FAX (916) 993-6074



TYPE OF PROJECT: LICENSING

**RIVERSIDE VALERO**  
3211 RIVERSIDE BLVD,  
SACRAMENTO, CA 95818

**RIVERSIDE VALERO**  
3211 RIVERSIDE BLVD,  
SACRAMENTO, CA 95818  
PHONE: (950) 454-6521 FAX: (XXX) XXX-XXX  
CONTACT: RAMI SABANECH

REVISION	BY

DATE: 1/23/2015

DRAWN BY: MGF

JOB NO: 1522

SHEET  
**A2**  
2 OF 3 SHEETS

**FLOOR PLAN**



**Appeal Decision**  
**City of Sacramento Planning and Design Commission**

Date: 3/7/2016

To the Planning Director:

I do hereby make application to appeal the decision of the City Planning and Design Commission on 2/25/16, for project number P 15-042.  
(hearing date)

☒ Granted by the City Planning Commission  
☐ Denied by the City Planning Commission

Property Location: 3211 Riverside Boulevard

Grounds For Appeal: (explain in detail, you may attach additional pages)

*The Planning Commission did not fairly or adequately address the will of many neighborhood residents to deny this beer + wine permit and may not have been adequately noticed. Attached is part of a petition + the text of my comments.*

Appellant: Barry Scarff Daytime Phone: (916) 553 4348  
(please print)

Address: 920 9th Avenue Sacramento CA 95818

Appellant's Signature: *[Signature]*

Please note that once this application is submitted to the City of Sacramento, your information may be subject to public record.  
However, please note that the City will not sell your data or information for any purposes.

**THIS BOX FOR OFFICE USE ONLY**

Filing Fee Received: Applicant (\$4,000) \_\_\_\_\_ Or Third Party (\$298)                       
Received By: RON BESS Date: MARCH 7, 2016  
Distribute Copies to: Planning Director (STACIA COSGROVE)  
Principal Planner ANTONIO ALCOC Project Planner (original) TENESA HOENGEI

Submit the Appeal Form to 300 Richards Blvd, 3<sup>rd</sup> Floor, Community Development Department Public Counter, between 9AM to 4 PM on weekdays.

**RECEIVED**

MAR 7 2016

BY: *[Signature]*  
RON BESS

# No New Permits to Sell Alcohol.



Concerned About New Alcohol Sales



Concerned About New Alcohol Sales

21  
Supporters

Valero Gas Station (8th and Riverside) wants a permit to sell alcohol in the heart of Land Park: close to Crocker-Riverside elementary school, family-friendly businesses, the largest regional park in the city, and the oldest Jewish congregation in Sacramento.

Public Hearing is scheduled for Feb 25th. Please sign this petition to let our city Planning Commissioners know that we oppose the permit.

As residents, parents, and active members of this community, we urge the Commissioners to DENY the application for a conditional use permit to sell alcohol at the Valero gas station in the heart of a residential neighborhood. It is important that the neighborhood remain safe and family-friendly.

Letter to

**Sacramento City Planning and Design Commission -- Chair Alan LoFaso**

**Sacramento City Council -- District 4 Councilmember Hansen**

**Sacramento City Planning and Design Commission -- Vice-Chair Jose Bodipo-Memba**  
and 14 others

**Sacramento City Planning and Design Commissioner Kiyomi Burchill**

**Sacramento City Planning and Design Commissioner Cornelious Burke**

**Sacramento City Planning and Design Commissioner Edmonds Chandler**

**Sacramento City Planning and Design Commissioner Douglas Covill**

**Sacramento City Planning and Design Commissioner Darryl Lucien**

**Sacramento City Planning and Design Commissioner Todd Kaufman**

**Sacramento City Planning and Design Commissioner Kim Mack**

Help Us Keep Land Park a  
Family-Friendly  
Neighborhood: No New  
Permits to Sell Alcohol.

## Share this petition

Thanks for signing. Now help  
this campaign succeed by  
getting your friends to sign!  
21 supporters  
79 needed to reach 100

- Share on Facebook

We were unable to post  
to Facebook. If you still  
want to share this  
petition, please try again.

Add a personal  
message (optional)

Help Us Keep Land Park  
a Family-Friendly  
Neighborhood:...

Post to Facebook

Send a Facebook

message

- [Send an email to friends](#)
- [Tweet to your followers](#)

know that we oppose the

<https://www.change.org/p/help-us-keep-land-park-a-family-friendly-neighborhood-no-new-permits-to-sell-alcohol>

Copy link or a

It is important that the



My name is Barry Scarff, and I've lived about a 2 minute walk from this location for over 15 years and I urge you to deny this request.

I'm very concerned about the increase in crime that follows the sale of alcohol. We should not be adding additional alcohol retailers at this time, considering the huge rise in crime in Sacramento, the highest of any major city, and Land Park's increase in property crime, the highest rise in the city. City Police data also shows a significant increase in police calls within William Land Park in 2015.

I believe it's improper that a planning commission could be considering a Staff Report which ignores key elements of the General Plan, including that the City **shall** protect the pattern and character of unique traditional neighborhoods and that the City **shall** promote the development of **family-friendly** neighborhoods.

The applicant is within a Traditional Center where all existing businesses are family friendly, including Vic's Ice Cream (a neighborhood gathering place for kids after school lets out) and Planet Gymnastics.

It's also about 1,000 feet from a number of sensitive uses including William Land Park, Crocker Riverside elementary school, and Congregation B'Nai Israel.

It is significant that the city uses a 1,000 feet radius as a measurement of review for its letter of public convenience, considering that a school, a child care center and a regional park are all *within* 1,000 feet and B'nai Israel is approximately 1,000 feet away from the applicant.

In evaluating Permits, the Commission is required by law to make a finding that the proposed use is consistent with the general plan and any specific plan and also requires the Commission to give consideration to the distance of the proposed use from residential buildings, churches, schools, parks and childcare centers.

As the report notes, several neighbors, including those who live in the immediate vicinity, have already expressed their opinion that the sale of beer and wine is inappropriate, unwanted, and will lead to increased crime.

I again urge you to deny this permit.

Thank you.



# REPORT TO PLANNING AND DESIGN COMMISSION City of Sacramento

915 I Street, Sacramento, CA 95814-2671  
www. CityofSacramento.org

**PUBLIC HEARING**  
February 25, 2016

To: Members of the Planning and Design Commission

**Subject: Valero Beer and Wine Sales (P15-042)**

A request to sell beer and wine at an existing convenience store and fuel station in the General Commercial (C-2) zone.

- A. Environmental Exemption (Per CEQA Guidelines Section 15301, Existing Facilities); and
- B. Conditional Use Permit to allow the sale of beer and wine within an existing 1,440 square foot convenience store on a 13,320 square foot (.31 acre) in the General Commercial (C-2) zone.

**Location/Council District:**

3211 Riverside Blvd.

Assessor's Parcel Number 012-0341-044

Council District 4

**Recommendation:** Staff recommends the Commission approve the request based on the findings and subject to the conditions listed in Attachment 1. The Commission has final approval authority over items A and B above, and its decision is appealable to City Council.

**Contact:** Teresa Haenggi, Associate Planner, (916) 808-7554  
Antonio Ablog, Senior Planner, (916) 808-7702

**Applicant:** Rami Sabanegh, 3211 Riverside Blvd., Sacramento CA 95818

**Owner:** Same as Owner

Figure 1: Vicinity Map



**Summary:** The site is currently developed with 1,440 square foot convenience store and fueling pumps. The applicant/owner is requesting to sell beer and wine. This requires a Conditional Use Permit for alcohol sales. Staff has received several comments on the project, both in support and in opposition to the proposed beer and wine sales (See Attachment 5).

<b>Table 1: Project Information</b>
<b>General Plan designation:</b> Traditional Center
<b>Site Zoning:</b> General Commercial (C-2) Zone
<b>Existing use:</b> Convenience store and fuel station
<b>Property area:</b> 13,320 square feet (.31 acres)

**Background and Entitlement History:** An application requesting a Conditional Use Permit for the sale of beer and wine for off-site consumption at the existing Valero convenience store and fuel station was submitted on July 29, 2015. The convenience store has been in operation at 3211 Riverside Blvd. since 2004. That same year, an application was submitted for the sale of beer and wine for off-site consumption. The application was withdrawn prior to any action being taken on the request. In 2009, a Minor Modification to a deemed Special Permit was approved by the Zoning Administrator allowing the installation of a new clean air separator canister. There is no other recent entitlement history on this site.

The applicant continued the January 15<sup>th</sup> hearing in order to provide community outreach.

**Public/Neighborhood Outreach and Comments:** An early notice was sent to the Land Park Neighborhood Association, Upper Land Park Neighborhood Association, and property owners within 300 feet of the project site. Staff received three e-mails in support of the project and over 15 e-mails and phone calls in opposition to the project. The e-mail correspondence is provided in Attachment 5.

The applicant presented his project at the Land Park Community Association's meeting in November, and the president of the Upper Land Park Neighborhood Association met with the applicant at the project site. Neither community group has expressed opposition or support for the project.

On February 16, the applicant also conducted a community outreach meeting, sending an invitation to all property owners within 300 feet of the project site. The meeting was held at Vic's café and approximately 15 community members attended as did City Planning staff and a representative from the Police Department.

The neighborhood associations and property owners within 300 feet of the proposed site were mailed a hearing notice. The site was also posted 10 days in advance of the public hearing.

**Environmental Considerations:** The Environmental Services Manager has determined the project is exempt from environmental review pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines. Section 15301 covers the permitting and operation of existing private structures involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The project consists of approval to allow beer and wine sales for off-site consumption in an existing private structure. Staff has reviewed the application and has concluded that no new significant effects would result. The trip generation source (Institute of Traffic Engineers) for the land use "Convenience Market With Gasoline Pumps" includes alcohol sales in the average rate for all convenience market sites, and no anticipated significant increase in trips would occur. No new significant effect would result from approval.

**Policy Considerations:** The subject site is designated as Traditional Center in the General Plan Land Use and Urban Form Diagram. The Traditional Center designation provides for walkable traditional neighborhoods that provide essential daily services within walking distance of surrounding residents. The General Plan goal for Traditional Centers is to promote traditional centers where people can shop and socialize within walking distance of surrounding neighborhoods (LU 5.3).

The existing commercial area where the project is located is well established with uses that support the General Plan goal for traditional centers, including an ice cream parlor, a café, small retail stores, commercial services, a gymnastics school and the subject convenience market. While alcohol sales are not directly addressed in the General Plan, staff does not believe that the proposed sale of beer and wine for off-site consumption at the existing Valero convenience store is inconsistent with the General Plan.

The Public Health and Safety Policy Element of the General Plan contains the following policy that addresses development:

*Policy PHS 1.1.7 – Development Review.* The City shall continue to include the Police Department in the review of development projects to adequately address crime and safety, and promote the implementation of Crime Prevention through Environmental Design principles.

The Police Department reviewed the proposal and conducted a site visit to the proposed site. The Police Department does not oppose the project and placed conditions of approval on the project to address potential crime and safety issues.

## Land Use

In evaluating Conditional Use Permit proposals, the Planning and Design Commission is required to make the following findings under City Code section 17.808.200(C):

1. The proposed use and its operating characteristics are consistent with the general plan and any applicable specific plan or transit village plan; and

2. The proposed use and its operating characteristics are consistent with the applicable standards, requirements, and regulations of the zoning district in which it is located, and of all other provisions of this title and this code; and
3. The proposed use is situated on a parcel that is physically suitable in terms of location, size, topography, and access, and that is adequately served by public services and utilities; and
4. The proposed use and its operating characteristics are not detrimental to the public health, safety, convenience, or welfare of persons residing, working, visiting, or recreating in the surrounding neighborhood and will not result in the creation of a nuisance.

For uses that include alcohol sales, additional findings under City Code section 17.228.108(A)(1) must be met:

1. The proposed alcoholic beverage sales will not adversely affect the peace or general welfare of the surrounding neighborhood;
2. The proposed alcoholic beverage sales will not result in undue concentration of establishments dispensing alcoholic beverages;
3. The proposed alcoholic beverage sales will not enlarge or encourage the development of a skid row or blighted area; and
4. The proposed alcoholic beverage sales will not be contrary to or adversely affect any program of redevelopment or neighborhood conservation.

The Planning and Development Code also requires the Planning and Design Commission to consider whether the proposed use will detrimentally affect nearby residentially zoned areas, and give consideration to the distance of the proposed use from residential buildings, churches (and faith congregations), schools, hospitals, parks and playgrounds, childcare centers, social services, and other similar uses (see City Code section 17.228.108(A)(2)).

The Valero convenience store and fuel station is located on the southeast corner of Riverside Blvd. and 8<sup>th</sup> Avenue. Vic's Ice Cream is located directly across 8<sup>th</sup> Avenue to the north of the project site. Other commercial uses, including Vic's Café, are also located north of the project. To the west, directly across Riverside Blvd., is a commercial center that includes retail stores, commercial services, and a gymnastics school. A retail use is located to the south of the project site. The commercial area is surrounded by residential uses, primarily single-unit dwellings, though a multi-unit dwelling is located adjacent to the east of the project site. A bus stop is located in front of the project site on Riverside Blvd. Figure 2 provides a map of the uses adjacent to the project site.



**Figure 2: Land Uses near Project Site**

The nearest park, William Land Park, and a synagogue are located approximately 1,000 feet to the south of the project. Crocker/ Riverside Elementary School is located approximately 1,000 feet to the north. As mentioned earlier, the area is primarily residential, except for the commercial area on Riverside where the project is located.

### Key Issues

Although a majority of the feedback on the project has been in opposition to the sale of beer and wine, staff also received several e-mails and spoke to individuals who expressed support for the project. The main reasons cited for supporting the project is to support local

businesses and for the convenience of being able to walk to the store to purchase alcohol. Additionally, one individual stated that he originally had concerns about the project, but now felt that the alcohol sales would not be a problem as long as conditions are met.

The comments received in opposition to the proposed sale of beer and wine are summarized below:

- The proposed use is not compatible with the surrounding area, which is predominantly residential and family-oriented.
- There are several nearby retail establishments that already sell alcohol and additional alcohol sales are not needed.
- The sale of alcohol may attract nuisances, such as loitering and drinking at the bus stop.
- The sale of alcohol will contribute to an increasing vagrant presence in the area.
- The proposed use is in close proximity to uses that are frequented by children, e.g. schools, a religious assembly, an ice cream parlor, a public park and a gymnastics school.
- The area surrounding the site of the proposed use has a high level of pedestrian traffic and pedestrians' safety may be compromised by the proposed use.
- Alcohol sales will increase area crime such as car break-ins, car thefts, and burglary.

The project evaluation includes the consideration of sensitive uses near the project site such as parks and schools, because there is a concentration of a vulnerable population at these locations that may be negatively impacted by alcohol sales. The project site is approximately 1,000 feet or more from local schools and parks. Neighbors report that many of the children who live in the neighborhood where the project is located often walk to school or the park. Also, there are uses directly to the west (a gymnasium school) and the north (an ice cream shop) of the project site that are frequented by children.

The sale of alcohol is highly regulated because of the potential negative effect that alcohol can have. In the case of alcohol sales for off-site consumption in a small retail store, a conditional use permit is required so that staff can impose conditions on the proposed project to address nuisance behavior, or if such behavior does occur, to prevent it from escalating into criminal behavior. Planning staff works closely with the Police Department in developing conditions for projects proposing alcohol sales. The conditions serve as crime-prevention measures and are summarized below:

- Hours of alcohol sales are restricted to Monday through Friday, 6:00 a.m. to 10:00 p.m.; and Saturday and Sunday, 6:30 a.m. to 9:30 p.m.
- Beer can only be sold in six-packs or more (no singles), wine in containers no less than 750 ml, and wine coolers in no less than packs of 4.
- The sale of beer and wine is limited to the area adjacent to the cashier so that it can be easily supervised by Valero employees.
- A video surveillance system is required for both internal and external areas of the site.
- The videos must be recorded and stored in order to assist in monitoring the site as well as assisting the Police Department in deterring criminal activity both on site and in the surrounding area.

**Figure 3: Area Land Use Map**





- Lighting is required to ensure the site is well lit and all activities on the site are visible.
- The applicant is to immediately address nuisance activities or law enforcement related issues.
- Graffiti is to be immediately removed and trash to be picked up on a regular bases.
- The windows of the store are not to be overly cluttered so that employees can watch the site and the immediate neighborhood, and so law enforcement can see into the store.

The intent of these conditions is to ensure that the Valero convenience store continues to be positive contributor to the community and that the activities at the project site do not compromise the safety or quality of life of the neighborhood, particularly the children. It should be noted here that conditions are in place as long as alcohol is sold at that site, regardless of who the owner is. In doing this, staff ensures that the operators will continue to be vigilant and valuable neighbors.

Staff does not anticipate pedestrian safety would be degraded with the proposed sale of beer and wine because such sales would not increase traffic to any significant degree. Additionally, the site has planters that separate the parking lot from the sidewalks, thus protecting the pedestrians and only allowing ingress/egress to the site at the appropriate designated areas.

The Police Department also addressed concerns of over-concentration of alcohol sales in the area by visiting the site and conducting research on area crime and reviewing comments received from the community. Based on this analysis, the Police Department issued a Letter of Public Convenience or Necessity which indicates the proposed use would likely not impact crime in the area.

As conditioned, staff does not believe the proposed sale of beer and wine would have detrimental effects on the peace and welfare of the surrounding neighborhood. Furthermore, the Police Department does not oppose the project and believes the conditions of approval for this project would reduce the potential for nuisance activities or law enforcement related issues that could be associated with alcohol sales.

### **Alcohol Beverage Control (ABC) License**

The applicant is applying for a Type 20 license, which allows for sale of beer and wine for off-site consumption. The Police Department provided a letter to the Alcohol Beverage Control Agency stating that they completed an investigation for Valero convenience store and feel that Public Convenience or Necessity would be served (See Attachment 4).

### **Building Design and Signage**

No exterior modifications or site improvements are proposed as a part of this project. Any future modifications to the exterior of the building will have to be reviewed and approved by Planning and Design Staff. No signage has been proposed at this time and any future signage will require a sign permit.

**Conclusion:** Staff recommends approval of the project, because all of the findings can be made, and in particular, the project: a) is consistent with the General Plan designation of Traditional Center and the General Commercial (C-2) zone; b) does not appear to have any negative impacts on the surrounding community; and c) has been reviewed by the Police Department and is conditioned to ensure proper security, lighting, and good neighbor policies for the site.

Respectfully submitted by:



TERESA HAENGGI  
Associate Planner

Approved by:



ANTONIO ABLOG  
Senior Planner

Recommendation Approved:



JOY PATTERSON  
Principal Planner

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Exhibit B	Floor Plan
Attachment 2	General Plan Map
Attachment 3	Zoning Map
Attachment 4	Letter of Public Convenience or Necessity
Attachment 5	Community Comments
Attachment 6	Subject Site and Neighborhood Photos

**Attachment 1**

**Proposed Findings of Fact and Conditions of Approval  
Valero Convenience Store and Fuel Station  
3211 Riverside Blvd.**

**Findings Of Fact**

- A. Environmental Determination:** Based on the determination and recommendation of the City's Environmental Planning Services Manager and the oral and documentary evidence received at the hearing on the Project, the Planning and Design Commission finds that the Project is exempt from review under **Section 15301 (Existing Facilities)** of the California Environmental Quality Act, because the approval of the sale of beer and wine in an existing private structure would involve no substantial increase in use beyond that existing at the time of the lead agency determination.
- B. The Conditional Use Permit** to allow the sale of beer and wine in an existing building on a 13,320 square foot (.31 acre) parcel in the General Commercial (C-2) zone **is approved** subject to the following Findings of Fact:
1. The proposed use and its operating characteristics are consistent with the general plan designation of Traditional Center; and
  2. The proposed use and its operating characteristics are consistent with the applicable standards, requirements, and regulations of the General Commercial (C-2) zone in which it is located, and of all other provisions of the city code; and
  3. The proposed use is situated on a parcel that is physically suitable in terms of location, size, topography, and access, and that is adequately served by public services and utilities; and
  4. The proposed use and its operating characteristics are not detrimental to the public health, safety, convenience, or welfare of persons residing, working, visiting, or recreating in the surrounding neighborhood and will not result in the creation of a nuisance in that it is compatible with the variety of uses that are in the surrounding area, and is conditioned to ensure that the business will contribute positively to the surrounding area; and
  5. The proposed use will not adversely affect the peace or general welfare of the surrounding neighborhood in that the proposed use is consistent with the Traditional Center designation's vision for neighborhood serving commercial uses; and
  6. The proposed use will not result in undue concentration of establishments dispensing alcoholic beverages, as determined by the Police Department based on its review of the project and site visit; and

7. The proposed use will not enlarge or encourage the development of a skid row or blighted area in that the sale of alcohol will be supervised, the Police Department conditioned the project to include crime deterring mechanisms such as a surveillance system, and the commercial space will have limited hours of operation; and
8. The proposed use will not be contrary to the General Plan, which designates the site as the Traditional Center designation, which allows retail uses.

### **Conditions Of Approval**

- B. The Conditional Use Permit** to allow the sale of beer and wine in the General Commercial (C-2) zone **is approved** subject to the following conditions of approval:

#### **Planning**

- B1. A sign that complies with the city code and displays a 24-hour emergency phone number and contact person shall be kept current and posted on the building storefront as a Good Neighbor Policy measure.
- B2. The hours of alcohol sales shall be limited to Monday through Friday, 6:00 a.m. to 10:00 p.m.; and Saturday and Sunday, 6:30 a.m. to 9:30 p.m. Any requests to modify these hours shall require additional planning review and approval.
- B3. The location of the beer and wine shall be located near the point of sale as indicated on the approved plans shown as exhibit A.
- B4. The shelf space allowed for the sale of beer and wine shall be limited to the area labeled on the approved plans as a “wine cooler” and “beer cooler”.
- B5. Any modification to the attached plans shall be subject to review and approval by Planning Department staff prior to the issuance of building permits.
- B6. Any future exterior modifications to the building shall be reviewed and approved by Planning and Design Staff.

#### **Police Department**

- B7. Exterior lighting shall be white light (e.g. metal halide, LED, fluorescent, or induction) using cutoff or full cutoff fixtures to limit glare and light trespass. Exterior lighting shall be maintained and operational and shall meet IESNA standards.
- B8. All landscaping shall follow the two foot six foot rule. All landscaping shall be ground cover, two feet or less and lower tree canopies shall be above six feet. This increases natural surveillance and eliminates hiding

areas within the landscape. Tree canopies shall not interfere with or block lighting. This creates shadows and areas of concealment.

- B9. UL listed central station silent robbery alarm system shall be employed at all points of sale, the manager's office, and near the safe(s). Cellular back-up is recommended.
- B10. All solid core exterior doors shall be equipped with a 180 degree viewing device to screen persons before allowing entry, and shall remain locked at all times except for emergencies and deliveries.
- B11. Height markers are required on the interior doorway.
- B12. If replaced, fences shall be of decorative tubular steel, no climb type.
- B13. Recorded Video Assessment and Surveillance System (VASS) shall be employed.
- B14. Cameras and VASS storage shall be digital high definition or better.
- B15. VASS storage shall be kept off-site or in a secured area accessible only to management.
- B16. VASS shall support standard MPEG formats.
- B17. VASS shall be capable of storing no less than 30 days worth of activity.
- B18. Manager with access to VASS storage shall be able to respond within 30 minutes during business hours.
- B19. Manager shall have the ability to transfer recorded data to another medium (e.g. DVD, thumb drive, etc.).
- B20. Cameras shall be equipped with low light capability, auto iris and auto focus.
- B21. Television style monitors shall be mounted in a visible location near the entrance so that patrons can clearly see that their activities are being monitored.
- B22. VASS shall provide comprehensive coverage of:
  - all points of sale
  - safe
  - manager's office
  - areas of ingress and egress (doors, driveways)
  - alcohol placement areas
  - parking lot and pumps
  - areas not clearly visible from public streets
  - coverage of all four (4) exterior sides of the property
  - adjacent public rights of way (Riverside Blvd and 8<sup>th</sup> Ave)
  - at least one camera shall be positioned to get a front face shot (e.g. height strip camera)

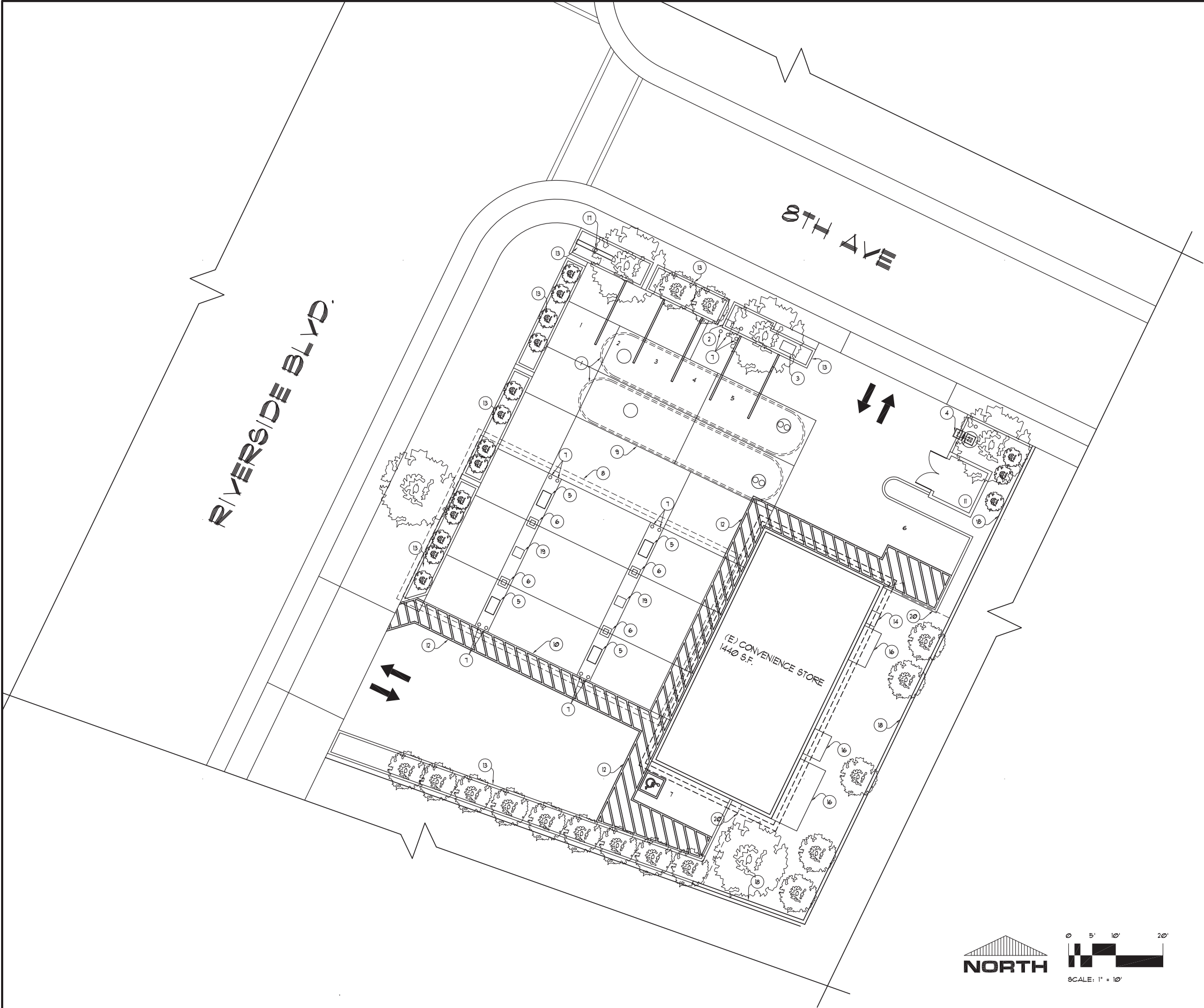
- B23. Sales of beer and malt beverages shall be in quantities of not less than a six-pack.
- B24. Sales of wine shall be in containers of at least 750 ml.
- B25. Wine coolers, whether made for wine or malt products, shall not be sold in quantities of less than factory packs of four.
- B26. No distilled spirits shall be sold.
- B27. Electronic "point of sale" age verification system is required, including:
- scans and authenticates ID
  - identifies fake IDs
  - detects "double use" or ID passing
  - records dates and times of entry
  - has the ability to create a "banned patron" list
- B28. No more than 33 percent of the square footage of the windows and clear doors shall be blocked by advertising, signs, shelves or anything else. All advertising, signs, and shelving shall be placed and maintained in a manner that ensures that law enforcement personnel have a clear and unobstructed view of the interior of the premises, including the area in which the cash registers are maintained, from the exterior public sidewalk or entrance to the premises.
- B29. The name of the store shall be printed on all receipts.
- B30. No public pay phones/telephones shall be allowed on the premises.
- B31. No coin operated games or video machines shall be allowed on the premises.
- B32. The applicant shall post a No Trespassing and No Loitering sign on the property.
- B33. The applicant is responsible for reasonably controlling the conduct of persons on the site and shall immediately disperse loiterers.
- B34. Applicant must comply with all laws and regulations related to the distribution of alcoholic beverages, including not selling, furnishing, giving or causing to be sold, furnished or given away, any alcoholic beverages to any habitual drunkard, or to any obviously intoxicated person.
- B35. All dumpsters shall be kept locked.
- B36. Trash receptacles shall be of a design to prevent unauthorized removal of articles from the trash bin.
- B37. Any graffiti painted or marked upon the premises or on any adjacent area under the control of the applicant shall be removed or painted over within 72 hours of being applied.

B38. The applicant shall be responsible for the daily removal of all litter from the site and adjacent sidewalks.

Exhibit A: Site Plan

Exhibit B: Floor Plan





- 1 EXISTING TANKS
- 2 EXISTING WATER & AIR
- 3 SMUD BOX
- 4 EXISTING SITE LIGHTING
- 5 (E) UPS DISPENSER
- 6 (E) CANOPY COLUMN
- 7 (E) BOLLARDS
- 8 EXISTING CANOPY
- 9 EDGE OF TANK SLAB,
- 10 EDGE OF DRIVE SLAB,
- 11 CMU BLOCK TRASH ENCLOSURE
- 12 EXISTING PATH OF TRAVEL
- 13 EXISTING PLANTER
- 14 NATURAL GAS SERVICE
- 15 ELECTRICAL SERVICE
- 16 MECHANICAL SLABS
- 17 (E) SIGNAGE
- 18 (E) CMU BLOCK WALL
- 19 (E) TRASH RECEPTACLE & WINDOW WASHER
- 20 (E) CHAIN LINK FENCE

**SUTTON & ASSOCIATES, INC.**  
ENVIRONMENTAL DESIGN PLANNING

1441 LAS SALINAS WAY  
SACRAMENTO, CA 95864  
TELE (916) 993-6075  
FAX (916) 993-6074



TYPE OF PROJECT: LICENSING

**RIVERSIDE VALERO**  
3211 RIVERSIDE BLVD,  
SACRAMENTO, CA 95818

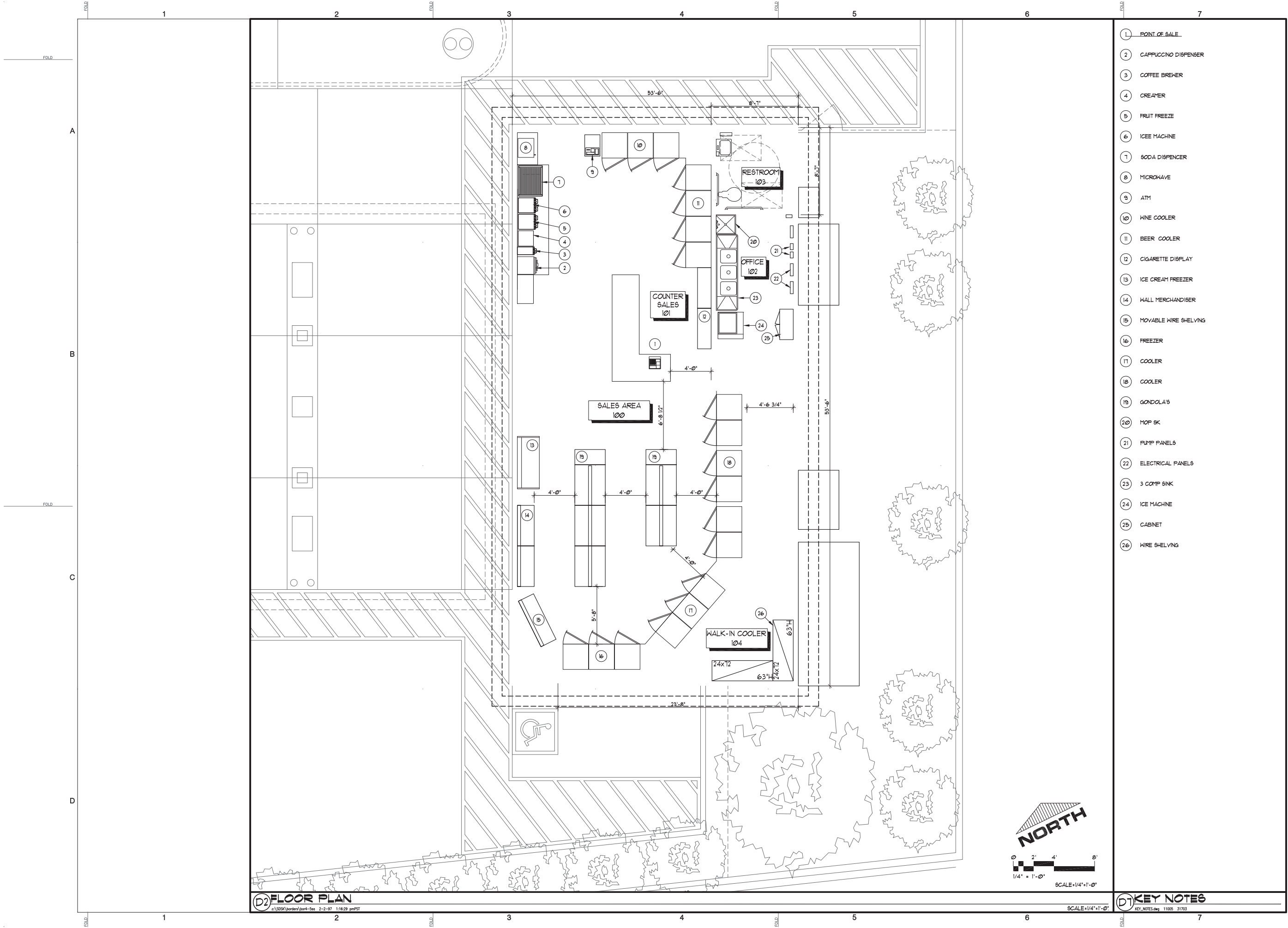
**RIVERSIDE VALERO**  
3211 RIVERSIDE BLVD  
SACRAMENTO, CA 95818  
PHONE: (950) 454-6521 FAX: (XXX) XXX-XXX  
CONTACT: RAYI SABANEH

REVISION	BY

DATE: 7/23/2015  
DRAWN BY: MGF  
JOB NO: 1522

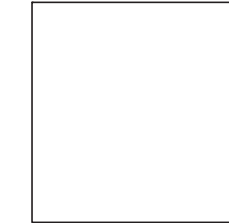
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**A1**  
1 OF 3 SHEETS





**SUTTON & ASSOCIATES, INC.**  
ENVIRONMENTAL DESIGN PLANNING

1441 LAS SALINAS WAY  
SACRAMENTO, CA 95864  
TELE (916) 993-6075  
FAX (916) 993-6074



TYPE OF PROJECT: LICENSING

**RIVERSIDE VALERO**  
**3211 RIVERSIDE BLVD,**  
**SACRAMENTO, CA 95818**

**RIVERSIDE VALERO**  
3211 RIVERSIDE BLVD  
SACRAMENTO, CA 95818  
PHONE: (650) 454-6521 FAX: (XXX) XXX-XXX  
CONTACT: RAMI SABANEH

REVISION	BY

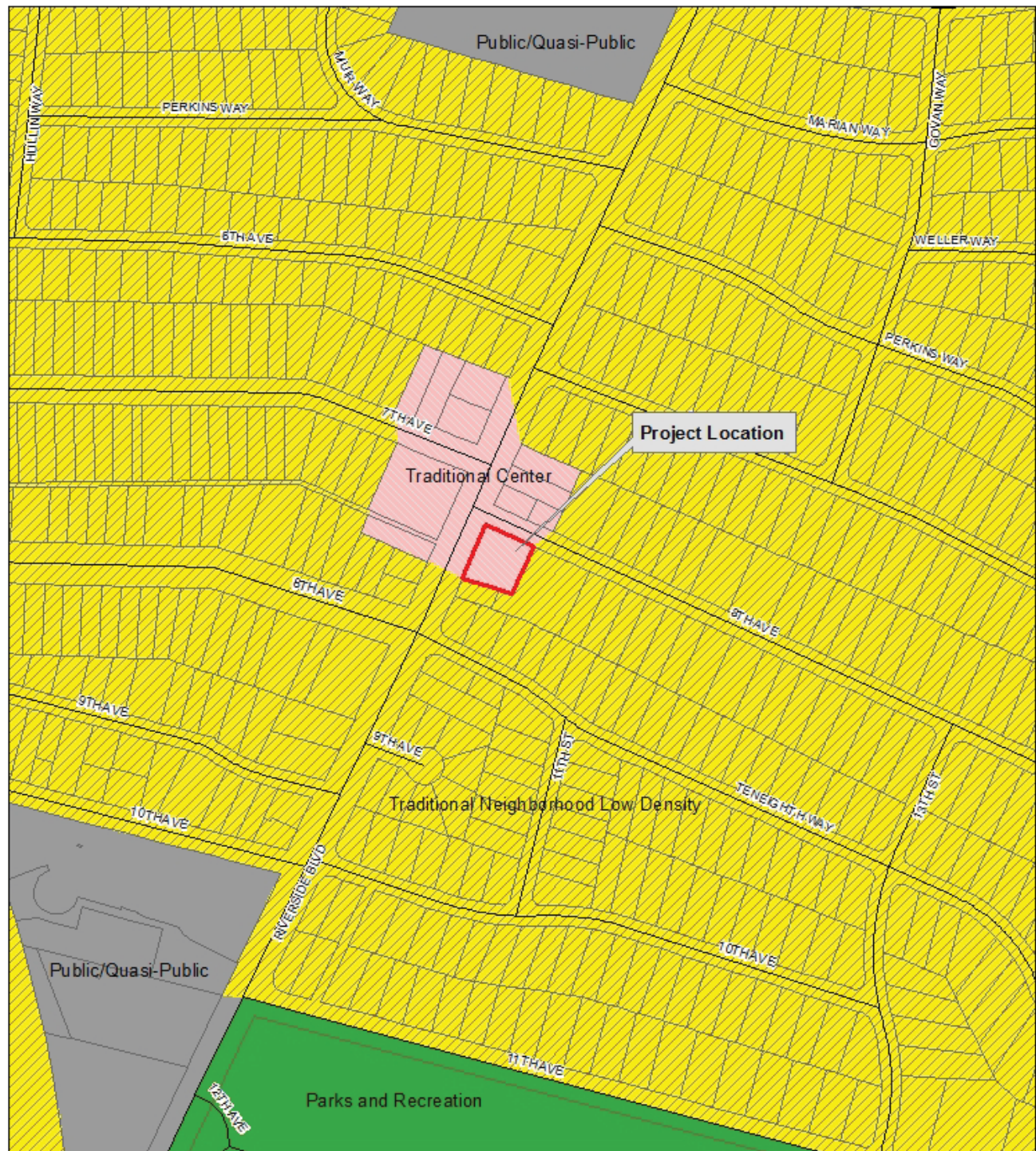
DATE: 1/23/2015  
DRAWN BY: MGF  
JOB NO: 1522

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**A2**  
2 OF 3 SHEETS

**FLOOR PLAN**



**Attachment 2: General Plan Map**

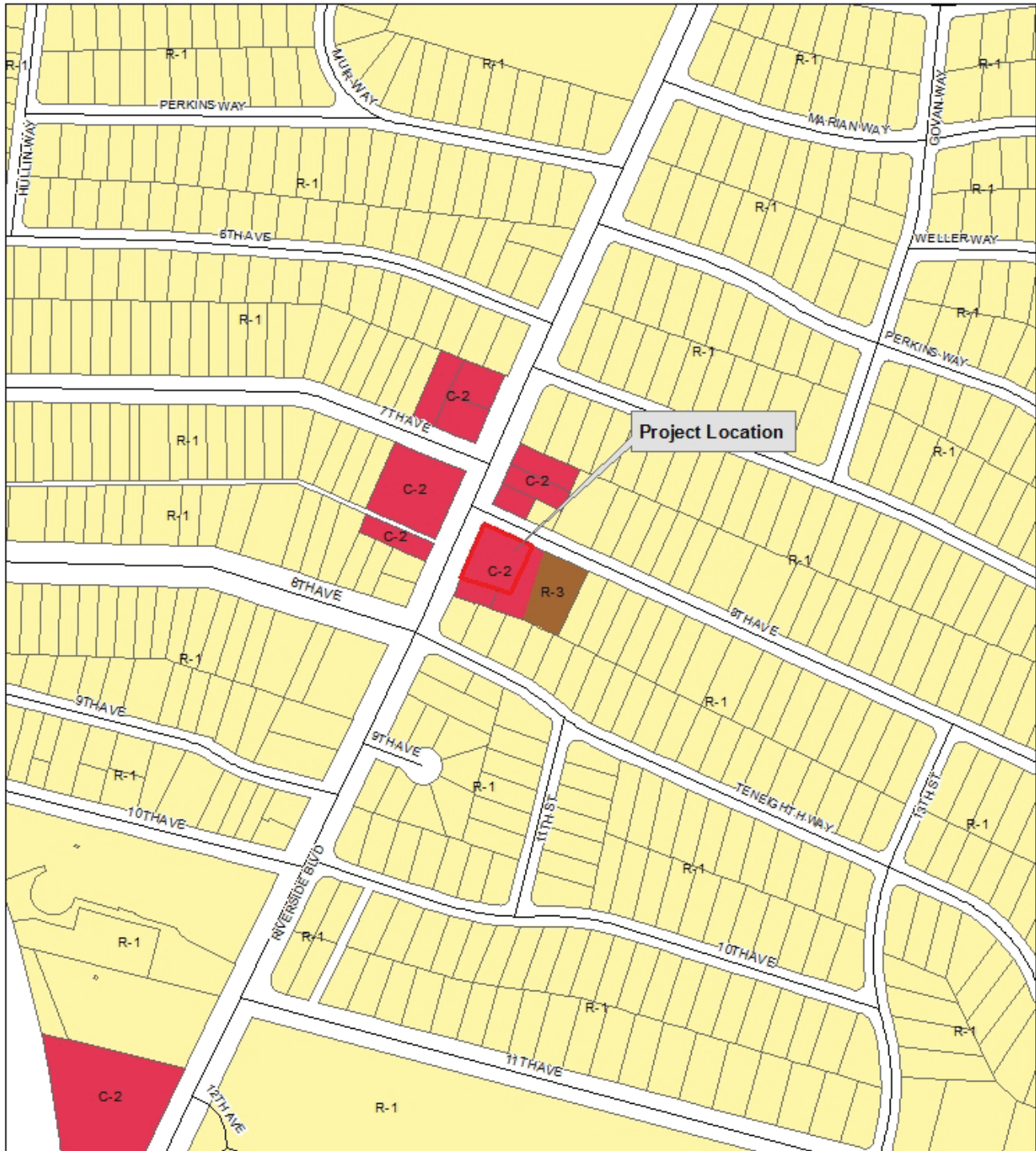


**General Plan  
P15-042  
Valero Beer and Wine Sales  
3211 Riverside Blvd.**

T.Haenggi 12/22/15



**Attachment 3: Zoning Map**



**Zoning  
P15-042  
Valero Beer and Wine Sales  
3211 Riverside Blvd.**

T.Haenggi 12/22/15

City of  
**SACRAMENTO**  
Police Department

Attachment 4: Letter of Public  
Convenience or Necessity

SAMUEL D. SOMERS JR.  
Chief of Police

5770 Freeport Blvd., Suite 100  
Sacramento, CA 95822-3516

(916) 808-0800  
Fax: (916) 808-0818  
[www.sacpd.org](http://www.sacpd.org)

August 24, 2015  
Ref. NO:8-03

Matt Seck  
District Administrator  
Alcohol Beverage Control  
2400 Del Paso Road, Suite 155  
Sacramento, California 95834

Dear Mr. Seck:

The Sacramento Police Department has completed the investigation for Riverside Valero, located at 3211 Riverside Blvd. The Police Department feels that Public Convenience or Necessity will be served.

Sincerely,



Sherri Scruggs  
Analyst, Sacramento Police Department

**Teresa Haenggi**

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**From:** Joseph Yee <jyeepdc@gmail.com>  
**Sent:** Thursday, January 14, 2016 10:28 AM  
**To:** Teresa Haenggi  
**Subject:** Fwd: GAS STATION 8th and Riverside requesting permit to sell alcohol: Public Hearing 1/14

----- Forwarded message -----

**From:** **Marcus Yee** <[mr.mlyee@gmail.com](mailto:mr.mlyee@gmail.com)>  
**Date:** Tuesday, January 12, 2016  
**Subject:** GAS STATION 8th and Riverside requesting permit to sell alcohol: Public Hearing 1/14  
**To:** [jyeepdc@gmail.com](mailto:jyeepdc@gmail.com)  
**Cc:** [quongp@gmail.com](mailto:quongp@gmail.com)

Commissioner Yee,

My dear friend and I, Paul Quong, your neighbors in this wonderful family-centered community of Land Park, request your review of the gas station's (on 8th and Riverside) request for a permit to sell beer and wine. We believe that the hearing should be cancelled or at the very least postponed until such time as remaining issues can be resolved. Some that concern us as local residents include the following:

- The public elementary school (Crocker Riverside) is located on the cusp of the significance threshold. It is at 1000' feet from the conditional permit; therefore, it is likely that the school and none of the many families associated with the school have had a chance to review or comment on this request to sell alcohol in proximity to their school-aged children. I'm sure many would be concerned with this lapse in local government transparency. Further, the threshold should not be used to justify no impact, rather it should indicate opportunities for further investigation, particularly since many of the students make their way to children's toys store, Vic's ice cream, Planet Gymnastics, and the gas station on hot summer days.
- There is a bus stop, including bench, directly outside the gas station. The business owner will **not** have the authority to remove individuals congregating on this property. This bus runs **only** once per hour. A similar problem exists outside the midtown Safeway.
- The Report ignores, and **does not address, a key element of the General Plan**. Goal LU 4.3 states that the City **shall** protect the pattern and character of Sacramento's unique traditional neighborhoods. The Report only addresses the elements of a Traditional Center, ignoring that it is surrounded by a traditional neighborhood. <http://portal.cityofsacramento.org/Community-Development/Planning/Online-Library/General%20Plan>
- Planet Gymnastics provides educational activities for children, including toddlers. There is also a music training facility for children located across the street.
- The report states that "The Traditional Center designation provides for walkable traditional neighborhoods that provide **essential** daily services within walking distance of surrounding residents". The sale of beer and wine is not an essential service. To me, just the fact that a *Conditional Use Permit* is being requested, shows that these sales are not essential.



- The report does not address this part of the city's general plan (especially considering that Planet Gymnastics, Vic's Ice Cream, the baby clothing store, etc. are all family friendly): LU 4.1.10 Family-Friendly Neighborhoods. The City shall promote the development of **family-friendly neighborhoods** throughout the city that provide housing that accommodates families of all sizes and provides safe and convenient access to schools, parks, and other family oriented amenities and services.

Thank you for your consideration,

-Marcus Yee  
924 9th Ave  
Sacramento, CA 95818

-- ----- Forwarded message -----

From: **Teresa Haenggi** <[THaenggi@cityofsacramento.org](mailto:THaenggi@cityofsacramento.org)>

Date: Thu, Jan 7, 2016 at 10:37 AM

Subject: RE: Requesting history of alcohol license application for Valero on 8th and Riverside

To: Marcus Yee <[mr.mlyee@gmail.com](mailto:mr.mlyee@gmail.com)>

Cc: Antonio Ablog <[AAblog@cityofsacramento.org](mailto:AAblog@cityofsacramento.org)>

Mr. Yee,

I have researched our archives and could not locate the file on the 2004 project that was withdrawn. Nor could I find any documentation or public comments on the project. The planner who worked on that project does not have any electronic files on the project either.

For the current proposal, I will attach all of the comments that I received since the file was opened in September, 2015, to the staff report that is submitted to the Planning and Design Commission.

Please contact me if you would like to discuss this further.

Teresa

Teresa Haenggi  
Associate Planner

## Teresa Haenggi

---

**From:** Alan LoFaso <alofaso@sbcglobal.net>  
**Sent:** Thursday, January 14, 2016 8:54 AM  
**To:** Barry Scarff  
**Cc:** Stacia Cosgrove; Antonio Ablog; Teresa Haenggi  
**Subject:** Re: Valero Beer and Wine Sales (P15-042)

Mr. Scarff -

Thank you for contacting us regarding your views on this project. I am sure all of the commissioners will keep your views in mind as we decide this matter.

Thank you again.

Alan.

Sent from my iPhone

On Jan 14, 2016, at 12:31 AM, Barry Scarff <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)> wrote:

Commissioner LoFaso -

Please vote to deny the request for a Conditional Use Permit to sell beer and wine at 3211 Riverside Blvd. This is the Valero gas station located across the street from Vic's Ice Cream and within a short walk from William Land Park, Crocker Riverside elementary school, and Congregation B'Nai Israel.

It would be terrible if the Commission took the irrevocable action to establish the sale of beer and wine for off-site consumption. As the report notes, several neighbors, including those who live in the immediate vicinity, have already expressed their opinion that the sale of beer and wine is inappropriate, unwanted, and will lead to increased crime.

There are also problems with the Staff Report that should convince you and the other Commissioners to vote no.

Page 6 states "Furthermore, sensitive uses such as schools, parks and religious facilities are more than 1,000 feet from the project site, and would not be adversely impacted by the proposed sale of beer and wine for off-site consumption." However, the map on that same page clearly shows that Crocker Riverside Elementary School, the 4<sup>th</sup> R child care center, and William Land Park are all *within* 1,000 feet. The Report itself acknowledges this by stating that these sensitive uses (the school and the park) are "approximately" 1,000 feet away from the project site. This shows that the Report is inconsistent and contradicts itself.

This also shows that a 1,000 foot **minimum** distance is considered a criterion for approval; however, since there are sensitive uses located **within** 1,000 feet, this indicates that the Permit request should be denied. A permit cannot fairly and objectively be approved if you create a criterion and the applicant doesn't meet the criterion.



The Staff Report ignores, and does not address, key elements of the General Plan. The staff report does not address the city's general plan Goal LU 4.3 which states that the City **shall** protect the pattern and character of Sacramento's unique traditional neighborhoods.

The staff report also does not address LU 4.1.10 which states that the City shall promote the development of **family-friendly** neighborhoods. The Report correctly states that this location is within a Traditional Center. It is important to note that the existing businesses are family friendly, including Vic's (a neighborhood gathering place for kids after school lets out), Planet Gymnastics, the Blue Fox Studio, and the Mother Goose Store.

The Report states that "The Traditional Center designation provides for walkable traditional neighborhoods that provide **essential** daily services within walking distance of surrounding residents". The sale of beer and wine is not an essential service. The fact that a *Conditional Use* Permit is being requested shows that these sales are not essential.

Thank you.

Barry Scarff  
920 9th Avenue

Letter Example  
Mail to:

Teresa Haenggi  
City Planner II  
300 Richards Blvd  
3rd Floor  
SAC 95811

**Teresa Haenggi**

**From:** Dorothy Cox <saxmind@hotmail.com>  
**Sent:** Thursday, September 24, 2015 1:59 PM  
**To:** Teresa Haenggi  
**Subject:** Project: Valero Beer and Wine Sales, 3211 Riverside Blvd

Reference on  
envelope -

P15-042 Valero  
Gas Station

Dear Ms. Haenggi:

We take this opportunity to comment on the subject project proposal. This business is surrounded by RESIDENTIAL dwellings that would surely be negatively impacted by alcohol sales at this location. It is too close to the park: such sales would surely bring customers to the area that do not live in the Land Park area. It is our understanding that other businesses located near the park (on the other side, near the zoo) do not sell alcohol - these businesses are also located close to residential dwellings. Such prohibitions keep a certain element from buying and consuming alcohol in the area.

The subject business is unusual as it is located very close to houses with families - families with the understanding that this Valero DOES NOT sell alcohol, as it is inconsistent with the area's predominantly residential use. Additionally, there is a grammar school nearby. An ice cream and soda fountain: yes! Alcohol: no!

Our property is located at 1017 8th Avenue; we have a direct view of this business. We do not want our children to see alcohol related activity there, and we do not want to bring that element to our upstanding, respectable neighborhood. Since this notice only went out to property owners located with a 300 foot radius of the site: please consider this opinion to be a probable representation of the majority of residents who live beyond said perimeter.

It is critically important that our neighborhood maintain its residential character with strong family values: this convenience store, as it is, is already somewhat inconsistent with the general area - alcohol sales would be completely out of place.

Thank you for your consideration.

Sincerely,  
Dorothy and Donald Cox

Charlotte N. Rueppel  
1162 Seventh Avenue  
Seaside  
95818

City 916-447-3892

82  
Item #6

## **Teresa Haenggi**

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**From:** Marily Schmucki <mschmucki11@yahoo.com>  
**Sent:** Wednesday, September 30, 2015 11:58 PM  
**To:** Teresa Haenggi  
**Subject:** Comments on Valero Beer and Wine Sales Application

Hello Teresa,

I'm writing regarding Application Number P15-042 for APN 012-0341-044-0000 at 3211 Riverside Blvd. As the owner of a duplex within 300 feet of the site, I feel responsible for two residences, and I hope this application is not approved. Valero is located in a charming block of commercial stores, including Vic's Ice Cream, in the middle of Land Park. This is a residential area, with many families walking and bicycling to Vic's and the few neighborhood shops, just across the street from Valero. This is not a good location to be selling beer and wine.

Beer and wine can already be purchased at Target to the north and Sprouts to the south, as well as other locations along four lane roads. This is just a two lane, residential area. Please do not approve the license for beer and wine to be sold at Valero.

Sincerely,

Marily Schmucki  
APN 012-0351-024-0000

## Teresa Haenggi

---

**From:** Marcus Yee <mr.mlyee@gmail.com>  
**Sent:** Wednesday, September 30, 2015 4:02 PM  
**To:** Teresa Haenggi  
**Subject:** Please take a much closer look at the Alcohol license application for Valero on 8th and Riverside.  
**Attachments:** teh\_jobmktpaper.pdf

Ms. Haenggi,

In addition to my requests in the previous emails, I'd like to make it clear that I do not support this application for license. I have many concerns. And I am sure that if you extend your outreach you will find many opposed to this application.

First, I'm am concerned about impacts to family neighbourhood environment. A gas station distributing beer will degrade that environment, (traffic to and from park where alcohol will be illegally concealed for consumption, trash-broken bottles, traffic to a well established friendly family neighbourhood). The Gas Station sits squarely between a 1) local public elementary school, 2) the largest public park in the city, 3) a large religious center and place of worship, 4) across the street to what many would regard a an iconic family Landpark family landmark, Vics Ice Cream, where families spend time together and then are regularly seen strolling about the neighbourhood with delicious ice cream cones, 5) Planet Gymnastics and its many child-centered instructional programs. There is a reason why applications of alcohol distribution have not been granted in the past. I fail to see why it should occur now. There is no compelling reason, only risks to the neighbourhood and families.

I'm concerned that so many public family friendly services would be impacted by the distribution of alcohol. I'm even more concerned that the application does NOT consider these effects or the local Landpark community. This suggests in my mind that these issues are NOT important to the applicant. I suggest that if you reach out beyond the mere legal requirements of those immediately adjacent, you will dubbed many others that will be impacted by granting this Gas Station the right to distribute alcohol.

A number of studies (see attached) demonstrate the risks associated with alcohol in local communities : <http://losangeles.cbslocal.com/>. There is no compelling reason to permit this activity; there are only risks...risks that I as a local property owner with two small children am not willing to take on just so a Gas Station can distribute alcohol.

Thank you for your consideration. I look forward to any public participation your office will arrange for this and thank you in advance for keeping me informed, and request that you broaden your outreach to include a reasonable range of affected parties, including but not limited to the family centered ones mentioned previously.

Marcus Yee  
925 9th Ave

On Sep 29, 2015 12:16 PM, "Marcus Yee" <[mr.mlyee@gmail.com](mailto:mr.mlyee@gmail.com)> wrote:

In addition to my request below, could you please tell me if the Bnai temple and Crocker Riverside Elementary have been informed?

Thanks,  
Marcus

On Sep 28, 2015 9:45 PM, "Marcus Yee" <[mr.mlyee@gmail.com](mailto:mr.mlyee@gmail.com)> wrote:

Thanks, Teresa.

Can you tell me if there has been a past application. I've heard that they did not receive a license upon their first application when they opened they business. I would like to know if this is true and if so, I'm hoping and requesting that you help me understand why the application was rejected the first time.

Marcus Yee

924 9th Ave  
Sacramento 95818

On Sep 28, 2015 6:26 PM, "Teresa Haenggi" <[THaenggi@cityofsacramento.org](mailto:THaenggi@cityofsacramento.org)> wrote:

Marcus

I attached the application for the Valerio Beer and Wine sales. You are able to provide comments until the hearing date, which has not been schedule yet, so you have time. The September 30<sup>th</sup> date was to get initial responses so, as I review the project, I have a good understanding of the neighbors support or opposition.

I hope you find this helpful. Please contact me if you have any questions about the project.

Teresa

Teresa Haenggi

Associate Planner

Community Development Department

300 Richards Blvd.

Sacramento, CA 95811





Mission: To help plan, build, and maintain a great City

Vision: To be the best Community Development Department in California

Values: Professionalism, Innovation, Courtesy, Collaboration, Consistency

**From:** Marcus Yee [mailto:[mr.mlyee@gmail.com](mailto:mr.mlyee@gmail.com)]

**Sent:** Friday, September 25, 2015 7:50 PM

**To:** Teresa Haenggi

**Subject:** Requesting history of alcohol license application for Valero on 8th and Riverside

Hello Teresa,

I'd like to know more about the application for license at the Valero gas station. I have two young children and live half a block away on 924 9th Ave. I'm particularly interested in the history of the application. I'm told that it was not granted the first time around. I'd like information on the reasons for not granting the license the first time around. Considering that I only have until the 30th to comment, I'd appreciate direction you can provide ASAP or 30 day extension on the protest period.

Thanks,  
Marcus Yee

924 9th Ave  
Sacramento Ca

# **Do Liquor Stores Increase Crime and Urban Decay? Evidence from Los Angeles<sup>†</sup>**

Bing-ru Teh<sup>‡</sup>  
University of California, Berkeley

**Job Market Paper**  
This Version: December 11, 2007

## **Abstract**

Liquor stores are a common sight in many distressed neighborhoods. But does the presence of liquor stores actually *cause* crime and urban decay – as suggested by situational models of criminal activity – or are liquor stores more likely to open in declining neighborhoods? In this paper, I use administrative data on the locations of alcohol outlets in the city of Los Angeles, merged with detailed incident crime reports and property transactions, to evaluate the effects of alcohol outlet openings and closings on local crime rates and property values. I specify an event-study framework to measure the changes in violent and property crimes just after the opening and closing of outlets. Both types of crime increase following an outlet opening, with larger effects in the immediate vicinity of the new outlet. The overall impact of new outlet openings is driven by effects in low socioeconomic status (SES) neighborhoods: openings in high-SES neighborhoods only have small effects on property crime. Outlet closings have smaller impacts, on average, although there is some indication that the closing of an outlet in a low-SES neighborhood reduces crime. A parallel analysis of residential property transaction values find that outlets located in low-SES neighborhoods are seen as a disamenity, whereas outlets located in high-SES neighborhoods are valued by homeowners. Overall, it appears that additional alcohol outlets – especially in lower-SES neighborhoods – contribute to both crime and urban decay.

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<sup>†</sup> I am indebted to my advisor, David Card, for his invaluable advice and support. I also thank David Autor, Kenneth Chay, Robert Edelstein, Chang-Tai Hsieh, Jed Kolko, Robert MacCoun, Andrey Pavlov, John Quigley, Stephen Raphael, Debbie Reed, Emmanuel Saez and seminar participants at UC Berkeley, MIT, PPIC and SOLE 2006 meetings for insightful comments. Stephen Cauley generously shared his housing transactions data. David Kurano, George Lamy, Carol McDonough and Scott Wiles were instrumental during the data collection process. Daniel Sheehan and Lisa Sweeney assisted with GIS programming. Financial support from the Center for Labor Economics, Institute of Business and Economic Research and the Public Policy Institute of California are gratefully acknowledged. The views expressed herein are those of the author alone and do not necessarily reflect those of the funding agencies. All errors are my own.

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## 1 Introduction

Do increases in alcohol outlet density increase crime? The media and the general public certainly think so: One CBS 5 Investigates report documented how liquor stores that stay open late at night in downtown Californian neighborhoods tend to be a congregation place of gangs, leading to such stores becoming ‘hot spots’ for violent crime; Another report from the Sacramento Bee quotes Sacramento Police Captain Ted Mandalla commenting that “people purchase alcohol and consume it close by, and then they become bold enough to do things they wouldn’t ordinarily do, or (they) consume alcohol and become prey”. Subsumed within the larger umbrella of rational choice theory, a criminological theory that fits the above description is Cohen and Felson’s (1979) routine activities theory, which states that crime results from a nonrandom convergence in time and space of likely offenders (drunkards and/or drug addicts), suitable targets (other intoxicated individuals or passer-bys) and the lack of able guardians (absence of a strong police presence).

Is the crime increase brought about by alcohol outlets confined to the immediate vicinity of the outlet? Or does the increased availability of alcohol also lead to an increase in alcohol abuse, thereby increasing crime in the broader neighborhood of the outlet as well? According to a Bureau of Justice Statistics 1998 report, 40% of criminal offenders report using alcohol during the time of offense, while 60% say they have been drinking regularly the year before the offense was committed. This suggests that alcohol consumption may play a role in crime, although the exact magnitude of its impact and the causal channels through which it operates, if any, remain unknown.

Possibly due to an increased awareness from media reports and growing frustrations of residents who live close to liquor stores, it has become increasingly common to see reports in local newspapers of residents uniting to either close down problem liquor stores or to prevent more liquor stores from opening in their neighborhood. However, while numerous studies find a correlation between alcohol outlet density and crime, to my knowledge, no study has shown a *causal* relationship between alcohol outlets and crime. Hence, although there is strong evidence that alcohol outlet density is related to crime, it remains inconclusive as to whether alcohol outlets themselves cause crime, result in a displacement of crime from surrounding areas, or



whether they simply tend to be located in areas that inherently have higher crime rates. In addition, in part due to a lack of readily available databases, many of these studies rely on crime data that has been aggregated to either the census tract level or municipality level, and limit their study to a single decennial census year (a cross-section) and a single category of crime (e.g., Scribner et al., 1995; Scribner et al., 1999; Gorman et al., 1998). Another potential impediment is the high costs involved in accessing and using geographical information systems (GIS) software and its associated spatial databases.

This study uses administrative historical liquor licensing data from the California Department of Alcoholic Beverage Control (DABC), incident crime reports from 1992-2004 with detailed location information from the Los Angeles Police Department (LAPD) and a database of all residential property transactions in Los Angeles County between January 1980 and June 2000 from DataQuick, together with census tract demographic data from the 1990 and 2000 decennial census, to understand the magnitude and spatial distribution of the effect of alcohol outlets on crime and urban decay.

The variation in the geographical allocation of off-sale retail alcohol outlets over time is used to identify the causal impact of alcohol outlets on crime and urban decay. More specifically, I look at the change in the number of violent and property crimes per square mile per month (from here on to be referred to as the crime density for simplicity) at varying distances (from 0 to 0.5 miles) away from the outlet 24 months before and after the opening or closing of the outlet. By limiting the sample to neighborhoods that experience at least one outlet opening (or closing) during the time frames of the crime (January 1992-December 2004) and residential property transaction (January 1980-June 2000) data sets, this event study (Fama et al., 1969; Binder, 1998) specification estimates changes in crime density across areas that are more similar to one another than to other areas in the city. Moreover, I allow for a different time trend before and after the event, outlet tract specific time trends, and include controls for the number of existing outlets in the neighborhood, time fixed effects as well as individual outlet fixed effects. While the original intent was to conduct an event study estimating monthly coefficients following Jacobson, LaLonde and Sullivan (1993), the noisiness of reported crime data led to the use of between one and four estimated coefficients to summarize the effect of alcohol outlet openings and closings over the 49 month interval that I study.

While the alcohol outlets that make the news are typically “mom and pop” liquor stores located in low socioeconomic status (SES) neighborhoods, the liquor licensing data<sup>1</sup> I use includes not only liquor stores, but also supermarkets, specialty wine stores, grocery stores and gas stations. Moreover, a liquor store located in a low-SES neighborhood is very different from a liquor store located in a high-SES neighborhood in terms of the physical appearance of the store interior and exterior, their clientele and the range of products sold. In view of the vast heterogeneity that exists between outlets located in different neighborhoods, I group outlets by using the average of the 1990 and 2000 levels of median household income of the census tract in which the outlet is located. I then considered outlets belonging to the top 2 and bottom 2 SES quintiles separately.

One common complaint against some alcohol outlets is that because they tend to be the only stores open till late at night or even into the early morning hours, they serve as a neighborhood congregation place for people involved in illicit activities. In addition, it is common knowledge that different types of crime occur at varying frequencies during different times of the day. To determine how an entry or exit of an alcohol outlet affects crime during different times of the day, I split up my crime database into four categories of equal time intervals.

Assuming externalities stemming from alcohol outlets are fully capitalized into property prices, we can use the change in residential property transaction prices as a measure of the costs (benefits) alcohol outlets impose on communities through urban decay (development). By integrating a difference-in-difference model into a hedonic regression framework, the marginal impacts of recent (within 12 months) alcohol outlet openings and closings on the residential property transaction values in its neighborhood are estimated. As before, I examine the differential effect of outlets in low and high-SES neighborhoods separately.

Upon the opening of alcohol outlets in low-SES neighborhoods, I find that the estimated increase in property crime density (number of property crimes per square mile per month) is much higher than when I considered all outlet openings together. Within 0.1 miles of new outlets in low-SES neighborhoods, property crime density increases as

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<sup>1</sup> Previous studies that examine the relationship between alcohol outlet density and crime (e.g., Scribner et al., 1995; Scribner et al., 1999; Gorman et al., 1998) do not distinguish between outlets situated in different neighborhoods.

long as there are less than 8 existing outlets in that 0.1 mile radius. Comparing the estimated percent change in property crime density in areas within 0.1 miles from the new outlet against that in areas between 0.1 and 0.25 miles away, we observe an interesting phenomenon: property crime is displaced from areas further away to areas closer to the new outlet. This suggests that property crimes are ‘mobile’ and are sensitive to the higher human traffic brought about by the opening of a new outlet. Conversely, the estimated increase in violent crime density within 0.1 miles from the new outlets is magnified by the presence of other outlets in the same area. Unlike property crimes, there appears to be agglomeration effects for violent crimes in low-SES neighborhoods.

When I limit my sample to outlets located in high-SES tracts, I find that new outlets in high-SES neighborhoods cause property crime density to increase but on the other hand, appear to decrease violent crime density as well. This is not surprising since outlets in high-SES neighborhoods typically consist of supermarkets, specialty wine stores and grocery stores and these outlets will typically attract a clientele consisting largely of families and wine connoisseurs.

The closure of outlets in low-SES neighborhoods decreases property crime density in the immediate vicinity of the outlet. There is some evidence, however, that this decrease in property crime results in a corresponding increase further away. This is consistent with earlier findings that suggest that property crimes are displaced and are sensitive to changes in human traffic. The closure of outlets in low-SES neighborhoods has virtually no effect on violent crime density when there are other outlets around.

In contrast, the closure of outlets in high-SES neighborhoods appear to increase both property crime and violent crime. While the effect of a closure on violent crime is mitigated by the presence of other outlets, the increase in property crime density is magnified by the presence of other outlets. One plausible explanation for this is that the other outlets that remain after the outlet closure may be located in relatively lower-SES neighborhoods if the outlet that closed was situated near the edge of a high-SES tract. Another possibility is the business that replaced that particular alcohol outlet may not draw as desirable a clientele as the alcohol outlet.

In addition, I find that homes located within 0.5 miles from new outlets in low-SES neighborhoods sold for between 2 and 4 percent less on average but homes located

within 0.5 miles from new outlets in high-SES neighborhoods sold for between 0.75 and 1.6 percent more on average. Similarly, the closure of outlets in low-SES neighborhoods increases transaction prices by between 4 and 5 percent, while the closure of an outlet in a high-SES neighborhood led to a decrease of transaction prices by between 0.1 and 1 percent. These results suggest that outlets located in low-SES neighborhoods are seen as a disamenity, whereas outlets located in high-SES neighborhoods are valued by homeowners. Also, I observe that outlets in high-SES neighborhoods have a smaller effect on property prices than outlets in low-SES neighborhoods. This is consistent with the findings in the earlier parts of the paper where I find that outlets in low-SES neighborhoods have a relatively larger impact on crime.

The rest of the paper is organized as follows. In the next section, I present an overview of my conceptual framework. In Section 3, I describe the data used in this study and then in Section 4, I examine the relationship between alcohol outlets and crime, detailing both my empirical methodology and results. Section 5 looks at the relationship between alcohol outlets and urban decay as measured by the change in the transaction price of residential properties. It begins with an analytical model, followed by a description of the empirical methodology and results. Section 6 concludes.

## **2 Conceptual Framework**

Assuming criminals are utility maximizing agents whose decision to commit a crime is affected by the costs associated with punishment (Becker, 1968), why might crime be affected by the presence of alcohol outlets? One explanation is its alteration of routine activity (1979): Alcohol outlets serve as a congregation place for motivated offenders, increase human traffic and therefore the number of suitable targets (and possibly also the number of empty houses) and in the absence of a guardian, an opportunity for crime is created. Another associated strand of rational choice theory is situational crime prevention theory (Clarke, 1997) which posits that patterns in criminal activity are not solely determined by where criminals live, but also where opportunities for crime concentrate.

A related question is whether alcohol outlets displace crime or cause additional crimes. If alcohol outlets lead to either a temporal or geographical displacement of crime, the policy implications are very different than if it causes additional crimes that would not have occurred otherwise. By studying changes in crime patterns at varying distances away from an outlet due to changes in outlet density, I attempt to determine whether alcohol outlets displace crimes geographically.

To my knowledge, this is the first study to exploit both the time series and cross-sectional variation in the location of alcohol outlets on property and violent crime density. However, there are several studies that have exploited the cross-sectional variation alone: Scribner et al. (1995) uses cross-sectional data from 74 Los Angeles County cities in 1990 and find that a higher alcohol outlet density is associated with a higher rate of assaultive violence: For a typical Los Angeles County city, 1 outlet was associated with 3.4 additional assaultive violence offenses. However, a replication of Scribner et al. (1995) by Gorman et al. (1998) using a cross section of 223 New Jersey municipalities find that outlet density does not appear to significantly affect the explained variance. Since assaultive violence crimes may suffer from underreporting, Scribner et al. (1999) chose to use homicide rates as the outcome variable instead. Looking at 155 urban residential census tracts in New Orleans, they find that 10% higher off-sale alcohol outlet density was related to a 2.4% higher homicide rate.

An obvious drawback of the cross-sectional approach used in the existing literature relating alcohol outlets and crime is that the estimated parameters do not have an explicitly causal interpretation, making it less interesting for policy evaluation purposes. In addition, a common criticism of the existing literature is the exclusive use of aggregate data. Using counties, municipalities or census tracts as the unit of analysis ignores local variation, which is important for the purpose of this research question since alcohol outlets are not evenly distributed across the geographical units concerned and neither is crime. In fact, crime has been known to be concentrated in “hot spots” such as in bus depots and malls (Sherman et al., 1989). Hence, it appears that while it is generally well established that neighborhoods with more alcohol outlets tend to have a higher violent crime rate, it remains inconclusive as to whether alcohol outlets themselves create crime or whether they cause a redistribution of crime away from the surrounding areas. I

use variants of an event study framework to identify the causal impact of alcohol outlets on crime density, the details of which are explained below in Section 4.1.

Another issue that has not been addressed in the existing literature is the vast heterogeneity that exists between alcohol outlets. Alcohol outlets are not restricted to ‘mom and pop’ corner liquor stores, but also include supermarkets, specialty wines stores and grocery stores. While it is impossible to exactly identify the type of alcohol outlet from the alcohol licensing data, I overcome this problem by stratifying alcohol outlets by the socioeconomic status (SES) level of the census tract it is located in. In fact, grouping outlets by the SES level of their location may even be superior to separating alcohol outlets into their various types. This is because while there is typically a higher concentration of supermarkets and wine stores in high-SES neighborhoods and a higher concentration of liquor stores in low-SES neighborhoods, we also find liquor stores in high-SES neighborhoods and supermarkets in low-SES neighborhoods. Instead, the heterogeneity that exists between outlets usually stems from the *location* of the outlet: A liquor store in a low-SES neighborhood sells more single serving bottles of fortified wine and is generally characterized by a badly maintained building and iron bars across window panes. In contrast, a liquor store in a high-SES neighborhood sells more expensive bottles of red wine and generally has a nice and clean store front.

Turning to the estimation of the effect of alcohol outlets on residential property transaction values, I adopt the hedonic model framework. It is not unusual for home buyers to search for properties within a set of pre-selected neighborhoods that they consider to be a good match for their family’s needs. A recurring theme in this study is the importance of *location*. In this case, it is important because it determines, among many things, the schools your children go to, the length of your commute to work and how far you will have to drive to your favorite restaurant. These location specific amenities are traded in a “bundle”, along with the physical structure of a house in the residential property market. The hedonic model has been widely used to estimate the value of these non-market goods: Black (1990) uses house prices to estimate the value parents put on school quality while Linden and Rockoff (2006) use house prices to estimate the cost of perceived crime risk from living close to a sex offender. These “bundles” are generally heterogeneous in nature (Rosen, 1974; Witte et al., 1979; Epplé,

1987; Sheppard, 1999) and it is difficult to separately identify the hedonic price function of each amenity because the variation in the amenity may be correlated with factors that are not observable. Hence, I integrate a difference-in-difference set-up into the basic hedonic framework to allow me to infer the value homeowners place on new and old alcohol outlets in their neighborhood. Furthermore, I group alcohol outlets by the SES level of the census tract they are located in as before, to estimate the difference between residents' marginal willingness to pay for a desirable outlet, and an undesirable one.

### **3 Description of Data**

Four data sets were used in this study: A historical panel of retail alcohol licenses from the California Department of Alcoholic Beverage Control (DABC), detailed crime reports from the Los Angeles Police Department (LAPD), residential property transactions data from DataQuick, a commercial company that provides real property and land data and demographic variables at the census tract level from the 1990 and 2000 decennial census.

The alcohol outlet data set consists of a panel of all 211,964 retail alcohol licenses that have been issued by the DABC over time and spans 31 license types, including off-sale beer and wine (type 20), off-sale general (type 21), on-sale beer (type 40), on-sale beer and wine eating place (type 41), on-sale beer and wine public premises (type 42) and on-sale general eating place (type 47). For the purpose of this study, I focus on the alcohol outlets with off-sale retail licenses (types 20 and 21). Type 20 licenses are typically held by convenience stores and gas stations while type 21 licenses are typically held by liquor stores and supermarkets. Other variables in this data set include the file number, file status (active, surrendered, canceled, revoked etc.), file status date, type status, type original issue date, premise street address, premise city, premise 5-digit zip code and DBA (doing business as) name.

The tenure of each active license is determined by its original issue date and the date the tape list was generated. The tenure of the rest of the licenses is determined by its original issue date and the file status date, which is the date of the most recent change in file status. Since license transfers between past and present owners operating at the same



premise are common, there are several cases whereby a few licenses correspond to the same premise address over different time periods. Hence, the data had to be sorted in a way to take into account repetitions of the same address several times over the years. I then looked at each unique premise address individually to determine the time frame during which each alcohol outlet was in operation. I individually looked up each ambiguous case using the DABC's License Query System available online at the DABC's website ([www.abc.ca.gov](http://www.abc.ca.gov)). The online License Query System also contains information on the disciplinary record of each alcohol outlet including the reporting agency, the type of violation, fines imposed, disciplinary action taken, and the date of the violation.

To my knowledge, this administrative database is the best available data set that can be used to determine alcohol outlet openings and closings. However, there are some limitations to this data set: The DABC switched over to a new database system during 1993 as a result of which some records of licenses that became inactive prior to the time of the transfer may have been lost. Some of the records of inactive stores that survived the transfer had missing file status dates and file statuses that were later imputed as January 1, 1994 and "automatically revoked due to non-payment" respectively. Hence, there are an unusually high number of outlets that appeared to have closed on January 1, 1994. To minimize the error from this imputation, these outlets were dropped from the data set when looking at the changes in crime level and residential property transaction values due to an outlet closure. However, these observations were preserved when determining the number of active alcohol outlets within an x-mile radius since dropping them may lead to erroneous under counting of alcohol outlets in several time periods.

For the part of this study that looks at the relationship between alcohol outlets and crime, only outlets situated within the boundaries of the city of Los Angeles were considered as detailed crime reports are only readily available for Los Angeles. The exception to the rule was when I was determining the number of active alcohol outlets within an x-mile radius. In that case, I included the outlets in the areas surrounding the city of Los Angeles as well.



One should be mindful that different subsets of the alcohol licensing data are used for different parts of the paper: The sections involving crime use data from 1992-2004, whereas the sections involving real estate transactions use data from 1980-2000.

Next, I geocoded the locations of these alcohol outlets onto a digital map by using a combination of ESRI's StreetMap USA database and the Census Bureau's Tiger Line Files. As with any low-cost street address database, both the versions I use have both missing and erroneously named streets. Thankfully, the alcohol outlet database was small enough for me to individually check each alcohol outlet the address locator was either unable to locate or matched with a very low score (below 40).

The Los Angeles detailed crime reports database<sup>2</sup> from January 1991 to October 2005<sup>3</sup> was obtained directly from the LAPD. This database contains detailed information on all reported crimes that violate the Californian Penal Code, including street intersection or zip+4 of the location of each crime, except for certain classes of crime (mainly rape, sex or abuse-related crimes) as it is against the Californian State law to disclose information that may allow for the identification of the victim of these crimes. Hence, I am able to locate individual crimes down to the street block level. In this study, I focus on crimes that occur at a high frequency and these crimes can be divided into two main categories: violent crimes and property crimes. The violent crimes I examine in this study are robbery and assault with a deadly weapon and the property crimes I examine are burglary, vehicle theft and vandalism<sup>4</sup>. While each of these five crimes is individually examined, for purposes of conciseness, I will only discuss results pertaining to violent and property crimes as a whole<sup>5</sup> for the remainder of this paper.

In addition, there is information on the exact date and time of the crime, which I use to group the data into monthly cells and to differentiate between crimes committed during the day and at night. There is also information on the reporting district of the crime, reporting division of the crime and the type of premise (for example a parking lot, a single family residence or a school) at which the crime was committed.

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<sup>2</sup> The retrieval process for this crime reports database is detailed in the appendix.

<sup>3</sup> It should be noted that only data between January 1992 and December 2004 were used in the study due to missing and/or incomplete data in the first and the last years of the data set.

<sup>4</sup> I am in the process of geocoding more crimes to be included in this analysis. However, I believe the present selection of crimes is good, especially considering that they appear to be among the most frequently reported set of crimes (Levitt, 1998).

<sup>5</sup> Estimation results of each of the 5 crimes are available from the author upon request.

One general concern with reported crime data is the presence of measurement error as a result of changes in crime reporting by victims over time and across neighborhoods. However, since crime density is the dependent variable in my study, and given that there is no obvious reason to believe that crime reporting changes as a result of an alcohol outlet opening or closing, it is reasonable to assume classical measurement error. Also, by using crime reports from only one police department, I can easily control for changes in police department reporting practices and changes in crime classification across jurisdictions over time with the inclusion of time dummies.

As with the alcohol outlet data, I also geocoded the locations of these crimes onto a digital map by using a combination of ESRI's StreetMap USA database and the Census Bureau's Tiger Line Files. However, given the considerable number of crimes in a city as large as Los Angeles, I was unable to individually check all crime locations that were either unmatched or matched with a very low score. Instead, I used the reporting district variable in the dataset to make sure that the crime was not geocoded to a location that was clearly incorrect. In the case of unmatched crime locations, this was typically a result of inherent errors in the data set, including, but not limited to spelling errors and incomplete street addresses. While it was possible to correct the spelling errors and re-geocode these crime locations, there was nothing much I could do for the other error types. Fortunately, I fail to match less than 4% of the data.

The DataQuick data consists of all residential real estate transactions in Los Angeles County from January 1980 to June 2000. Some variables of interest include the exact address of the property, the date of transaction, the transaction price, the assessed value of the property, the size of the property, the number of bedrooms and the number of bathrooms. A nice feature of the DataQuick data is the availability of the *actual* transaction price of the property, which gives us the true market valuation of the property, instead of the *assessed* value of the property, which does not necessarily reflect the market valuation of the property. While this data set included the whole of Los Angeles County, only transactions within the city of Los Angeles and transactions within a 2 mile radius of the boundary of the city of Los Angeles were considered. I also geocoded the locations of these transacted properties using the same street address databases as above. I utilized the same matching strategy for the transactions data as I did for the crime data.

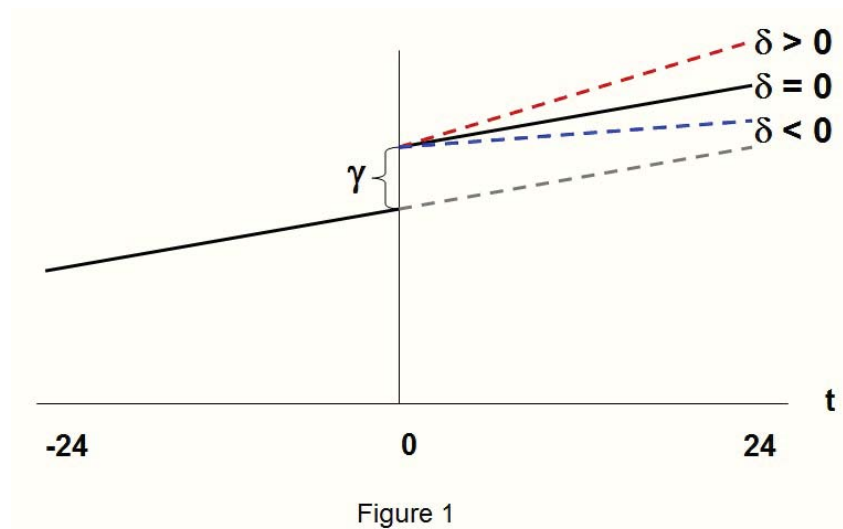
For the residential property transactions data, I failed to match fewer than 1% of the addresses.

The census tract level demographic variables for both 1990 and 2000 are downloaded directly from the Census Bureau's website ([www.census.gov](http://www.census.gov)).

#### 4. Do Alcohol Outlets Increase Crime?

##### 4.1 Empirical Strategy

The approach I take in this study aims to exploit the strengths of my data— that it consists of a large number of individual crime reports with detailed information on the location and time of the crime and that it covers a long period of time, 1992-2004. I use an event study framework to identify the causal impact of alcohol outlets on crime density (number of crimes per square mile per month) as illustrated in Figure 1 below.



I limit the sample to neighborhoods that experience at least one outlet opening (or closing) during the time frame of the crime (January 1992-December 2004) data set so that this event study specification estimates changes in crime and transaction density pre and post event across areas that are more similar to one another than to other areas in the city. In addition, since the concept of a mile in a very densely populated area is potentially different from that in a relatively less densely populated area, I begin by limiting my analysis to only alcohol outlets located in “Los Angeles”, as indicated by

their postal address<sup>6</sup>. I begin by looking at whether there is a break in trend following either the opening or closing of an outlet with the following specification:

$$(1) \quad \text{Crime\_den}[p,q]_{it} = \alpha_i + \beta_{(c)} t_{i(c)} + \gamma 1(t_i \geq 0) + \text{Month dummies} \\ + \text{Year dummies} + \varepsilon_{it}$$

The subscripts  $i$  and  $t$  respectively index the outlet and time relative to the outlet opening or closing event, where  $t$  takes on the value of 0 at the time of the event.  $\text{Crime\_den}[p,q]_{it}$  is the crime (property crime or violent crime) density in the area between  $p$  and  $q$  miles away from outlet  $i$  at event time  $t$ . Although there are certainly concerns relating to the presence of underlying trends in crime, the property market and the local demographic composition, these trends should be smooth, especially in the short run. While I cannot directly control for changes in the demographic composition of the outlet's neighborhood since there is no demographic data available at a local level at a monthly frequency, the linear trend term,  $t_i$ , indirectly controls for these underlying trends that may be correlated to the opening and closing times of alcohol outlets. The coefficient of interest,  $\gamma$ , measures the change in crime density pre and post event time as a result of one additional or one less outlet. In addition, store level fixed effects control for time invariant characteristics particular to the specific location of the store, while month and year dummies<sup>7</sup> are included to control for time varying macroeconomic business cycles.  $\varepsilon_{it}$  is assumed to be a mean 0, normally distributed error term. Finally, to take into account that the error terms are not independent across neighborhoods, the standard errors are clustered at the store level. Together, this constitutes a natural experiment whereby the simultaneity of alcohol outlet location choice and the socioeconomic characteristics of the location itself are eliminated. I estimate equation (1) three separate times, with  $p$  and  $q$  taking on the following set of values: [0, 0.1]; [0.1, 0.25] and [0.25, 0.5]. By studying

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<sup>6</sup> This area is approximately the Southern half of the city. Unlike most other cities, the City of Los Angeles consists of around 37 other communities such as Venice and Tujunga. I am in process of geocoding crimes committed in these other communities of Los Angeles and will include these communities in the analysis for future versions of this paper.

<sup>7</sup> Equation (1) was also estimated using 156 time period dummies, one for each month instead of month and year dummies. The results were robust to this change in specification.

the estimated effect of a new or old alcohol outlet on crime density in areas that are of various distances away from the outlet, we can obtain a measure of the ‘sphere of influence’ of the outlet in question and determine whether there are displacement or agglomeration effects.

On the other hand, it is also conceivable that the total number of alcohol outlets in operation in the neighborhood also has a part to play in crime. Besides, it is reasonable to expect the event of opening the first outlet (or closing the last outlet) in the neighborhood to have a very different impact on crime than the opening of the 10<sup>th</sup> outlet in the neighborhood. Suppose crime and the total number of outlets are related in the following manner:

$$(2) \quad Crime\_den[p, q]_{it} = \alpha_i + \beta t_i + \xi f(Outlets[0, q]_{it}) + \varepsilon_{it}$$

where  $f(Outlets[0, q]_{it})$  is some nonlinear function of  $Outlets[0, q]_{it}$  and  $Outlets[0, q]_{it}$ , the number of outlets in operation at event time  $t$  (including the outlet  $i$ , that opened or closed at event time  $t=0$ ) within a  $q$ -mile radius from outlet  $i$ . However, since the number of outlets may be endogenous to other neighborhood factors, an ordinary least squares estimation of  $\xi$  will be biased. Let us now suppose that  $f(Outlets[0, q]_{it})$  is a quadratic function such that:

$$(3) \quad f(Outlets[0, q]_{it}) = a + b Outlets[0, q]_{it} - \frac{1}{2}c (Outlets[0, q]_{it})^2$$

Where  $c > 0$  and  $f(.)$  is concave. Then  $df(Outlets[0, q]_{it})/d(Outlets[0, q]_{it})|_{Outlets[0, q]_{it} = (Outlets[0, q]_{it} - 1)} = b - c*(Outlets[0, q]_{it} - 1)$ . In other words, one will expect an effect of  $b - c*(Outlets[0, q]_{it} - 1)$  from a reduced form regression of crimes and outlet openings. Thus, I augment equation (1) with  $(Outlets[0, q]_{it} - 1)*1(t_i \geq 0)$ , the corresponding number of outlets in operation within a  $q$ -mile radius from outlet  $i$  (in addition to outlet  $i$ ) post event time:

$$(4) \quad \text{Crime\_den}[p, q]_{it} = \alpha_i + \beta_{(c)} t_{i(c)} + \gamma 1(t_i \geq 0) + \varpi (\text{Outlets}[0, q]_{it} - 1) * 1(t_i \geq 0) \\ + \text{Month dummies} + \text{Year dummies} + \varepsilon_{it}$$

Next, returning to equation (1), I attempt to make my initial specification more flexible by adding  $t_i * 1(t_i \geq 0)$ , a term that allows the linear time trend,  $t_i$ , to shift following the event, to the equation.  $\delta$  is the measure of this shift in the time trend:

$$(5) \quad \text{Crime\_den}[p, q]_{it} = \alpha_i + \beta_{(c)} t_{i(c)} + \gamma 1(t_i \geq 0) + \delta t_i * 1(t_i \geq 0) \\ + \text{Month dummies} + \text{Year dummies} + \varepsilon_{it}$$

To account for the presence of other alcohol outlets in the vicinity, I combined equation (4) with equation (5), yielding:

$$(6) \quad \text{Crime\_den}[p, q]_{it} = \alpha_i + \beta_{(c)} t_{i(c)} + \gamma 1(t_i \geq 0) + \delta t_i * 1(t_i \geq 0) \\ + \varpi (\text{Outlets}[0, q]_{it} - 1) * 1(t_i \geq 0) + \text{Month dummies} + \text{Year dummies} + \varepsilon_{it}$$

Finally, returning to equations (2) and (3), I consider how crime density (i.e. the number of crimes per square mile per month) is affected by a change in the total number of alcohol outlets in operation in the neighborhood. I regress  $\text{Crime\_den}[p, q]_{it}$  on a second order polynomial of  $\text{Outlets}[0, q]_{it}$ . As before, I include a time trend, outlet level fixed effects and calendar time dummies since the number of outlets in the neighborhood may be endogenous:

$$(7) \quad \text{Crime\_den}[p, q]_{it} = \alpha_i + \beta_{(c)} t_{i(c)} + \text{Outlets}[0, q]_{it} + (\text{Outlets}[0, q]_{it})^2 \\ + \text{Month dummies} + \text{Year dummies} + \varepsilon_{it}$$

In an attempt to better control for any heterogeneity in underlying trends present at the local level, I also allow the time trend,  $t_i$ , to differ across outlets located in different census tracts,  $c$ , for equation (1) and equations (4) thru (7). The results of these 2 sets of

regressions (with and without outlet-tract specific time trends) are summarized in Tables II to V.

In order to determine whether alcohol outlets in different areas have different effects on crime, I separated the alcohol outlets in my data set into two groups—those located in high socioeconomic status (SES) neighborhoods and those located in low-SES neighborhoods. While the alcohol outlets that make the news are typically “mom and pop” liquor stores located in low-SES neighborhoods, the liquor licensing data I use includes not only such liquor stores, but also supermarkets, specialty wine stores, grocery stores and gas stations. Moreover, aside from their location choice, a liquor store located in a low-SES neighborhood is very different from a liquor store located in a high-SES neighborhood in several ways: The physical appearance of the store interior and exterior (stores in low-SES neighborhoods typically have iron bars over window panes and around the cash register to guard against potential robberies); their clientele and the range of products sold (single-serving bottles of fortified wine in outlets in low-SES neighborhoods compared to first growth Bordeaux reds in outlets in high-SES neighborhoods). In view of the vast heterogeneity that exists between outlets located in different types of neighborhoods, I group outlets by using the average of the 1990 and 2000 census tract level of median household income to separate outlets into two groups: those located in high-SES tracts (top 2 quintiles of average median household income) and those located in low-SES tracts (bottom 2 quintiles). I then re-estimated equation (1) and equations (4) thru (7) separately for outlets located in these two groups. Selected regression results of the subset of outlets located in low-SES tracts are presented in Tables VI and VIII, while the corresponding results for the outlets located in high-SES tracts are presented in Tables VII and IX.

Following that, to determine whether liquor stores cause more problems in the day or in the night and whether the number of different types of crimes tend to be affected differentially during different times of the day, I re-estimated equation (6) by replacing  $Crime\_den[p,q]_{it}$  with the density of crimes that occurred in the area between  $p$  and  $q$  miles away from outlet  $i$  at event time  $t$  between 0000 hours and 0559 hours, between 0600 hours and 1159 hours, between 1200 hours and 1759 hours and between 1800 hours and 2359 hours. This set of results is summarized in Tables X and XI.

## 4.2 The Effect of Alcohol Outlets on Crime Density

### 4.2.1 Alcohol Outlet Openings

Examining the regression results of equations (1), (4), (5) and (6) in Tables II and III, we see that the estimated jump in both property and violent crime density is always positive upon the opening of an additional outlet. Focusing on columns (1), (2), (4) and (5)<sup>8</sup>, we see that in general<sup>9</sup>, this jump decreases significantly in magnitude as we move from the immediate vicinity of the outlet to a distance between 0.1 and 0.25 miles away. Although the estimated jumps are not precisely estimated (possibly due to the noisiness of crime in small areas), the consistency of the magnitudes of these effects going from specification to specification is reassuring. Violent crime density is estimated to increase between 2.8 and 6 percent within 0.1 miles from the outlet following its opening and decreases to as low as 0.2 percent between 0.1 and 0.25 miles away from the outlet. The effect on property crime density is similar.

Turning to equations (4) and (6), we see that the effect of an additional outlet on crime density can either be muted or magnified when there are already other outlets in operation in the neighborhood. For example, when we allow for outlet-tract specific trends and a shift in trend following the opening time (equation (6) in Table III), if the additional outlet is the first outlet in the neighborhood, property crime density within the 0.1-0.25 mile radius ring increases by 0.38 crimes per square mile per month. However, if there were already 2 other outlets in the neighborhood, the effect drops to an increase of  $0.38 + 2*(-0.08) = 0.22$  crimes per square mile per month. Conversely, within 0.1 miles from the new outlet, property crime density increases by 1.09 crimes per square mile per month if the additional outlet is the first outlet in the 0.1 mile circle. If there were already 2 other outlets, the increase in crime density increases by  $2*1.47 = 2.94$  crimes per square mile per month.

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<sup>8</sup> As we move further away from the outlet, the spatial correlation problem is worsened and estimates are more likely to be confounded by multiple openings and closings in a larger geographical area. As a result, the standard errors of the coefficients presented in columns (3) and (6) are likely to be severely underestimated. In a future version of this paper, I plan to make the necessary corrections.

<sup>9</sup> This is not true for the property crime results of equations (4) and (6) in Table II. However, once outlet-tract specific trends were included, we observe the general pattern seen in the other regressions.



While the overall impact of all new outlets may be interesting, the estimated effects may be confounded by the vast heterogeneity that exists between outlets located in different neighborhoods and is therefore less valuable from a policy perspective. Considering only outlets located in census tracts belonging to the bottom 2 socioeconomic status (SES) quintiles as measured by tract level median household income (Table VI), the estimated percent increase in property crime density within 0.1 miles of new outlets in low-SES neighborhoods is higher than the corresponding set of estimates presented in Table III. In fact, when the number of existing outlets is controlled for (equations (4) and (6)), the estimates for the change in property crime density within 0.1 miles of new outlets in low-SES neighborhoods is more than three times the size of the corresponding estimates for all the new outlets in my sample although the estimated impact of existing outlets on property crime density becomes negative. When we compare the estimated percent change in property crime density in areas within 0.1 miles from the new outlet against that in areas between 0.1 and 0.25 miles away, we observe an interesting phenomenon: property crime is displaced to areas closer to the new outlet. In the case of violent crime density, the estimated increase in crime density within 0.1 miles from the new outlets in low-SES neighborhoods is larger in magnitude than the corresponding estimates for the whole sample when the presence of other outlets is not controlled for. However, once I control for the number of existing outlets, the percent increase in violent crime density resulting from one additional outlet (if it is the first outlet within a 0.1 mile radius) becomes negligible. At the same time, the estimated impact of existing outlets on violent crime density more than quadruples. I find no evidence of violent crime being displaced. Using estimates from equation (7), we see that increasing the number of outlets from 2 to 3 in a 0.1 mile radius, results in a 7.2% increase in property crime density and a 0.6% decrease in violent crime density, although none of the estimates are statistically significant. Taken together, these results suggest that property crimes are more ‘mobile’ and tend to occur as a result of the higher human traffic brought about by the opening of a new outlet in a low-SES neighborhood. An additional outlet has a big impact (6-7% increase) on property crime density although this impact is diminished when there are other outlets around. The mechanism that drives violent crime, on the other hand seems to be slightly different: While increased human

traffic does seem to have a small effect on violent crime, this effect is magnified by the presence of other outlets in the vicinity. Unlike property crimes, there seems to be agglomeration effects for violent crimes in low-SES neighborhoods, the effects of which are magnified when new outlets provide more opportunities for conflicts to arise between intoxicated individuals.

Conversely, when I limit my sample to outlets located in high-SES tracts (top 2 quintiles), I find that overall, new outlets in high-SES neighborhoods have a small positive and sometimes negative effect on both property and violent crime densities. Estimates from equations (4) and (6) in Table VII suggest that a new outlet in a high-SES neighborhood decreases property crime density (~6.8%) if it is the first and only outlet within 0.1 miles from its location. However, if there are already outlets present within 0.1 miles, the overall impact on property crime density is positive. The opposite is true for violent crime: The overall impact of new outlets in high-SES neighborhoods on violent crime is negative when there are other outlets present. While the increase in human traffic increases the likelihood of property crime, it appears that it may actually reduce violent crime. Using estimates from equation (7), we see that increasing the number of outlets from 2 to 3 within a 0.1 mile radius from the outlet results in an 8.7% increase in property crime density and a 0.3% decrease in violent crime density. This is not surprising since outlets in high-SES neighborhoods typically consist of supermarkets, specialty wine stores and grocery stores and these outlets will typically attract a clientele consisting largely of families and wine connoisseurs.

In summation, the results from Tables VI and VII suggest that while new alcohol outlets located in lower-SES neighborhoods increases both property and violent crime density, new outlets located in high-SES neighborhoods may have an overall positive impact on the neighborhood: while property crime density may increase, violent crime density also decreases at the same time.

#### *4.2.2 Alcohol Outlet Closings*

Next, turning to Table V, we see that overall, the closing down of alcohol outlets appears to decrease property crime density by around 3 - 4% within a 0.1 mile radius.

However, the presence of other outlets diminishes this effect and there is some evidence that property crime has simply been displaced to other areas further away. Violent crime density does not appear to be affected by outlet closings: There appears to be a tiny and insignificant 1% increase in violent crime density when outlet closes and this effect becomes negative when there just two other outlets in operation.

Examining Table VIII, there appears to be strong evidence that the closing down of outlets in low-SES neighborhoods decreases property crime density in the immediate vicinity of the outlet. There is some evidence, however, that this decrease in property crime results in an increase in property crime further (beyond 0.1 miles) away. This is consistent with earlier findings that suggest that property crimes are relatively mobile and tend to occur wherever human traffic increases. For violent crimes, the closure of outlets in low-SES neighborhoods appears to have virtually no effect on crime density when there are other outlets around.

From Table IX, we see that the closure of outlets in high-SES neighborhoods appear to increase property crime and also violent crime. While the effect of a closure on violent crime is mitigated by the presence of other outlets, the increase in property crime density is magnified by the presence of other outlets. One possible explanation for this is that the other outlets that remain after the outlet closure may be located in relatively lower-SES neighborhoods if the outlet that closed was situated near the edge of a high-SES tract. Another possibility is that the business that replaced the alcohol outlet that closed may not draw as desirable a clientele as before<sup>10</sup>.

#### *4.2.3 Varying Effects of Alcohol Outlets across Different Times of the Day*

Table X illustrates how each category of crime is affected differentially during different times of the day when new alcohol outlets open. From Table XI, there is some evidence that property crime density falls throughout the day when outlets close while violent crime density appears to increase.

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<sup>10</sup> I plan to address this in a follow-up paper upon the acquisition of a new data set that will allow me to determine the business that was in operation at the same location prior to the alcohol outlet and also the business that came into operation after the alcohol outlet closure.

For violent crimes, there is evidence that crime density jumps discretely within 0.1 miles as a result of an outlet opening during 0000-0559 hours. This jump is estimated to be around 13%. This is consistent with anecdotal observations that alcohol outlets are problematic partly because they open late at night and also because they are magnets for alcohol abusers and individuals involved in illicit activities, most of whom are most active from after dark until the early hours of the day. As for outlet closings, there may be some evidence that violent crime density experiences no significant changes for most of the day within 0.1 miles from the location of the outlet that closed. The only exception is during 1200-1759 hours, where the evidence is suggestive of an increase in violent crime density after an outlet closure. This may be due to the vacancy status of the site previously occupied by an alcohol outlet although I am unable to confirm this hypothesis with the data I have at hand.

In the case of property crimes, the evidence for a discrete jump in crime density upon the opening of an additional outlet is the strongest during 1200-1759 hours and 1800-2400 hours. The estimated jump is estimated to be between 2 and 9 percent within 0.25 miles from the store. This is consistent with when we think property crimes such as vandalisms, vehicle thefts and burglaries typically happen. When outlets close, the coefficients taken together suggest that there is a re-distribution of property crimes away from the outlet though the statistical evidence is admittedly weak.

## **5 Do Liquor Stores Lead to Urban Decay?**

To the extent that the existence of alcohol outlets has an effect on crime, one would expect it to also have an effect on property transaction prices and perhaps quantities<sup>11</sup> as well, since areas with higher crime rates (both actual and perceived) are also usually less desirable to potential property buyers or renters. Assuming that externalities (both positive and negative) created by alcohol outlets are fully capitalized into land values, we can use the change in residential property prices as a proxy for the degree of urban decay resulting from additional outlets. These estimates will then shed

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<sup>11</sup> I perform an analysis of property transaction density using the same empirical strategy as in section 4.1. However, given that these results are less interesting than the ones relating to changes in property transaction prices, I defer the discussion of this analysis to the appendix.

some light on the extent to which alcohol outlets affect urban decay both spatially and temporally. I begin by presenting a simple model of the hedonic framework I use to estimate households' marginal willingness to pay for the presence of alcohol outlets in their neighborhood.

### 5.1 A Simple Hedonic Model

The housing market, given the heterogeneous nature of housing, is usually described as a hedonic market. Households are assumed to derive utility  $U$  by consuming a housing bundle that consists of a vector,  $A^H$ , the amenity derived from  $H$  different characteristics of the physical structure of the property (number of baths, number of stories etc.), another vector,  $A^N$ , the amenity derived from  $N$  different characteristics of the neighborhood in which the property is located in, and by the consumption of a composite good,  $X$ . Hence, the preferences of household  $h$ , located in neighborhood  $n$ , at time  $t$ , with a vector of household preference parameters,  $\pi$ , is given by the utility function:

$$(8) \quad U_{hnt} = U(A^H, A^N, X, \pi)$$

Households receive a fixed income,  $Y$ , and the price of the property is given by  $P(A^H, A^N)$ .

Given utility,  $U$ , income,  $Y$ , the physical characteristics of the property,  $A^H$ , and the neighborhood characteristics of the property,  $A^N$ , the willingness of the household to pay for the property can be summarized by the function  $W(U, Y, A^H, A^N, \pi)$  and the utility function can be re-written as:

$$(9) \quad U_{hnt} = U(A, Y-W, \pi)$$

where  $A = A(A^H, A^N)$ .

Hence, the utility maximization problem of the household is:

$$(10) \quad \max_{A, X} U(A, X, \pi) \text{ subject to the budget constraint } Y \geq P(A) + X.$$

Solving the maximization problem, I arrive at this condition:

$$(11) \quad \frac{U_{A,I}}{U_Y} = \frac{\delta P}{\delta A_I} = \text{Hedonic price of amenity I} = \text{Marginal willingness to pay for}$$

amenity I.

For the purpose of this paper, we can think of alcohol outlets as an amenity, I. In locations where the opening or closing of outlets result in an increase in crime level,  $U_A < 0$ , and since  $U_Y > 0$ , the opening or closing of these outlets creates a negative externality and decreases a representative household's marginal willingness to pay for a property in this neighborhood. However, when the opening or closing of outlets generates a positive externality either through no increase or decrease in crime level and/or an increase in convenience for residents, thereby increasing the desirability of the neighborhood,  $U_A > 0$ , and a representative household's marginal willingness to pay for a property in this neighborhood increases.

## **5.2 Examining the Change in the Average Value of Housing Transactions**

### *5.2.1 Empirical Strategy*

It is common practice for home buyers to search for properties within a set of pre-selected neighborhoods that they consider to be a good match for their family's needs. The *location* of the property is important because it determines, among many things, the schools your children go to, the length of your commute to work and how far you will have to drive to your favorite restaurant. Therefore, to the extent that the set of local amenities (and disamenities) are fully capitalized into property prices, we can use transaction prices to estimate resident's marginal willingness to pay for alcohol outlets in their neighborhood. As we discussed before, alcohol outlets located in different neighborhoods can be very different. While my data allows me to compare transaction prices within small local areas where properties are presumably more homogeneous than in bigger aggregated areas, there may still be other unobservable characteristics of the property that I cannot control for. Hence, instead of relying solely on the cross sectional variation, I look at how the average value of transactions is affected by the presence of new alcohol outlets in the neighborhood and whether average transaction values change when existing alcohol outlets in the neighborhood close. This time round, I restrict the sample of housing transactions to those that occurred within the City of Los Angeles (Appendix 4 list I). The reason for doing so is to ensure I do not under-count the number

of alcohol outlets within a 0.5 mile radius from the property that was transacted. By integrating a difference-in-difference set-up into the standard hedonic framework, I arrive at:

$$\begin{aligned}
 (12) \quad \ln (Price_{ijt}) = & \alpha_j + \beta X_{it} + \rho_1 Outlets [0,0.1]_{it} + \rho_2 Outlets [0.1,0.25]_{it} \\
 & + \rho_3 Outlets [0.25,0.5]_{it} + \kappa_1 (Outlets[0,0.1]_{it} * Open12_{it}) \\
 & + \kappa_2 (Outlets[0.1,0.25]_{it} * Open12_{it}) + \kappa_3 (Outlets[0.25,0.5]_{it} * Open12_{it}) \\
 & + Month\ dummies + Year\ dummies + \varepsilon_{ijt}
 \end{aligned}$$

Where  $\ln (Price_{ijt})$  is the natural logarithm of the real<sup>12</sup> transaction price of property  $i$  located in location  $j$  transacted at calendar time  $t$ ,  $\alpha_j$  is the location (5-digit zip code or zip+4) fixed effect and  $X_{it}$  is a vector of housing characteristic including year built, size, number of bedrooms and bathrooms, number of stories and the presence of a pool or jacuzzi<sup>13</sup> at calendar time  $t$ .  $Outlets[0,0.1]_{it}$  is number of alcohol outlets that *ever* existed between a distance of 0 and 0.1 miles away from property  $i$  and  $Open12_{it}$  is an indicator variable that takes on the value 1 if the outlet has been open for 12 months or less at calendar time  $t$ . The coefficients,  $\kappa_1$ ,  $\kappa_2$  and  $\kappa_3$  are the estimates of the change in transaction price due to the location of new alcohol outlets at various distances away from the property. As before, since the error terms are not independent across space, they are clustered at either the 5-digit zip code or the zip+4 level. Similarly, to estimate the change in transaction price due to the closure of alcohol outlets at various distances away from property  $i$ , I replace  $Open12_{it}$  in equation (12) with  $Close12_{it}$ , an indicator variable that takes on the value 1 if the outlet has been closed for 12 months or less at calendar time  $t$ . Table XII summarizes the results from equation (12).

As before, I separate the alcohol outlets by the median household income of the census tract they are located in order to take into account the heterogeneity of outlets

<sup>12</sup> Property transaction prices are deflated by annual levels of the West Urban CPI downloaded from the Bureau of Labor Statistics website: <http://www.bls.gov/cpi/home.htm>

<sup>13</sup> The number of bedrooms is top-coded at 6; the number of baths is top-coded at 6; the number of rooms is top-coded at 15; the number of stories is top-coded at 3.

located in different areas. In equation (13),  $Bottom_i$  is an indicator variable that is equal to 1 if the outlet is located within a census tract that belongs to the bottom 2 quintiles in terms of median household income among all the census tracts in my sample. On the other hand,  $Top_i$  indicates that the particular outlet is located within a tract in the top 2 quintiles:

$$\begin{aligned}
 (13) \quad \ln(Price_{ijt}) = & \alpha_j + \beta X_{it} + \rho_1 Outlets[0,0.1]_{it} + \rho_2 Outlets[0.1,0.25]_{it} \\
 & + \rho_3 Outlets[0.25,0.5]_{it} + \eta b_1(Outlets[0,0.1]_{it} * Open12_{it} * Bottom_i) \\
 & + \eta b_2(Outlets[0.1,0.25]_{it} * Open12_{it} * Bottom_i) \\
 & + \eta b_3(Outlets[0.25,0.5]_{it} * Open12_{it} * Bottom_i) \\
 & + \eta t_1(Outlets[0,0.1]_{it} * Open12_{it} * Top_i) \\
 & + \eta t_2(Outlets[0.1,0.25]_{it} * Open12_{it} * Top_i) \\
 & + \eta t_3(Outlets[0.25,0.5]_{it} * Open12_{it} * Top_i) + Month\ dummies \\
 & + Year\ dummies + \varepsilon_{ijt}
 \end{aligned}$$

Thus,  $Bottom_i$  identifies outlets in low-SES neighborhoods while  $Top_i$  identifies outlets in high-SES neighborhoods and equation (13) allows for the estimation of the differential effects of the opening of these 2 types of outlets. To understand the differential effects from closing outlets in low and high-SES neighborhoods, I re-estimated equation (13), replacing  $Open12_{it}$  by  $Close12_{it}$ . The regression results of equation (13) are presented in Table XIII.

### 5.2.2 The Effect of Alcohol Outlets on Property Transaction Values<sup>14</sup>

Table XII illustrates that overall, the opening of new outlets have no statistically significant effect on the price of residential property transactions while the closing of outlets have a positive and economically significant effect on transaction prices. However,

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<sup>14</sup> Note that the time frame of the property transactions data (January 1980 - June 2000) is different from that of the incident crime reports (January 1991 – December 2004). As a result, a different sample of the alcohol licensing data is used in this section than in section 4.



when the outlets are separately identified as being located in low and high-SES neighborhoods, I find that homes located within 0.5 miles away from new outlets in low-SES neighborhoods sold for between 2 and 4 percent less on average but homes located within 0.5 miles away from new outlets in high-SES neighborhoods sold for between 0.75 and 1.6 percent more on average. Given that the average property in my dataset sold for about \$223,000 between 1980 and 2000, homeowners who live close to a new outlet in a low-SES neighborhood lost between \$4,500 and \$9,000 relative to the amount they would have received had an outlet not opened within 0.5 miles from their home while homeowners who live close to a new outlet in a high-SES neighborhood stand to gain between \$1,700 and \$3,600. Furthermore, the closing of outlets in low-SES neighborhoods increase transaction prices by between 4 and 5 percent, translating to a gain of between \$9,000 and \$11,150. The closure of an outlet in a high-SES neighborhood led to a decrease of transaction prices by between 0.1 to 1 percent, translating to a loss of between \$220 and \$2,200.

In general, we see that new outlets located further away from the residential property have a smaller impact on the price of the property. This is reasonable since we would expect amenities that are located closer to the property to have a relatively larger effect. However, column (2) of Table XIII seems to indicate that the closure of an outlet further away from the residential property has a bigger impact on its price than a closure of an outlet within 0.1 miles. This may be due in part to the imprecision of the estimates of the effect of the changes in the number of outlets closer to the property. We also observe that outlets in high-SES neighborhoods have a smaller effect on property prices than outlets in low-SES neighborhoods. This is consistent with the findings in the earlier part of the paper where we find that outlets in low-SES neighborhoods have a relatively larger impact on crime.

The heterogeneity of alcohol outlets are evident when we look at new outlets located in low and high-SES neighborhoods individually: Outlets located in low-SES neighborhoods are seen as a disamenity by existing and potential homeowners. On the other hand, outlets located in high-SES neighborhoods are valued by homeowners. In addition, outlets located in low-SES neighborhoods impose a larger shock on the transaction price of the property than outlets in high-SES neighborhoods.

Reassuringly, the estimates of the effect of alcohol outlets on residential property values are similar in magnitude to the effect of other changes in local amenities other recent studies find: Black (1999) finds that parents are willing to pay 2.5% more for a 5% increase in test scores; Chay and Greenstone (2005) find that homeowners' marginal willingness to pay for reductions in air pollution to be around 2% ; Linden and Rockoff (2006) find that value of properties in the immediate vicinity of a sex offender's home fall by 4% on average.

## **6 Concluding Remarks**

Does the presence of alcohol outlets actually *cause* crime and urban decay – as suggested by situational models of criminal activity – or are alcohol outlets more likely to open in declining neighborhoods? This paper tests this question using an event study framework. One important take-away of this paper is the vast heterogeneity that exists between outlets located in low and high-SES neighborhoods and their resulting effects on the neighborhoods they are situated in.

I find that while both types of outlets result in a displacement of property crime to the immediate vicinity of the outlet, the magnitude of this effect is bigger for outlets located in low-SES neighborhoods. Furthermore, additional outlets in low-SES neighborhoods appear to increase violent crime, and there is some evidence that this increase in violent crime is not contained within the immediate vicinity of the outlet but instead, spills over to locations further away. Likewise, outlets located in low-SES neighborhoods have a more pronounced effect on residential property transaction values within a 0.5 mile radius from the outlet: transaction prices fall upon the opening of an additional outlet and rise when an outlet closes. Conversely, transaction values increase, albeit to a smaller extent, with additional outlets in high-SES neighborhoods and decrease correspondingly when such outlets close.

Together, these results indicate that policy makers should be mindful of the differences between the 'good' and the 'bad' outlets when formulating policy. While some outlets may potentially increase crime and urban decay in their neighborhoods, others may be an important source of tax revenue, create jobs for residents and may also

provide residents with services that they value. It is encouraging that some cities are already recognizing this difference: The City of San Francisco is proposing new legislation that exempts “larger grocery and other retail stores that also sell alcoholic beverages from regulations that prevent liquor stores from opening in five special use districts”.

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## 8 Appendices

### Appendix 1

#### Examining the Change in Residential Property Transaction Density

##### *Empirical Strategy*

In order to have a complete picture of the effect of alcohol outlets on urban decay, one has to consider both the change in property prices and the change in transaction quantities since both price and quantity are required to map out the housing market's equilibrium point. Moreover, quantity data tends to have less error than price data and sheds light on the rate of turnover in the neighborhood. The empirical strategy I use in this part of the paper is the same as the one in section 4.1 except that I substitute in  $Crime\_den[p,q]_{it}$  in equations (1), (4), (5), (6) and (7) with  $Trans\_den[p,q]_{it}$ , the property transaction density (number of property transactions per square mile per month) in the area between  $p$  and  $q$  miles away from outlet  $i$  at event time  $t$ :

$$(A1) \quad Trans\_den[p,q]_{it} = \alpha_i + \beta_{(c)} t_{i(c)} + \gamma 1(t_i \geq 0) + Month\ dummies \\ + Year\ dummies + \varepsilon_{it}$$

$$(A2) \quad Trans\_den[p,q]_{it} = \alpha_i + \beta_{(c)} t_{i(c)} + \gamma 1(t_i \geq 0) + \varpi (Outlets[0,q]_{it} - 1) * 1(t_i \geq 0) \\ + Month\ dummies + Year\ dummies + \varepsilon_{it}$$

$$(A3) \quad Trans\_den[p,q]_{it} = \alpha_i + \beta_{(c)} t_{i(c)} + \gamma 1(t_i \geq 0) + \delta t_i * 1(t_i \geq 0) \\ + Month\ dummies + Year\ dummies + \varepsilon_{it}$$

$$(A4) \quad Trans\_den[p,q]_{it} = \alpha_i + \beta_{(c)} t_{i(c)} + \gamma 1(t_i \geq 0) + \delta t_i * 1(t_i \geq 0) \\ + \varpi (Outlets[0,q]_{it} - 1) * 1(t_i \geq 0) + Month\ dummies + Year\ dummies + \varepsilon_{it}$$

$$(A5) \quad Trans\_den[p, q]_{it} = \alpha_i + \beta_{(c)} t_{i(c)} + Outlets[0, q]_{it} + (Outlets[0, q]_{it})^2 \\ + Month\ dummies + Year\ dummies + \varepsilon_{it}$$

As before, the standard errors are clustered at the store level since the error terms are not independent across space. In an attempt to make sure that there is no undercounting of the number of transactions as a result of crossing city boundaries, I considered all transactions that occurred in neighborhoods within a 0.5 mile radius of all the alcohol outlets in the City of Los Angeles (Appendix 4 List II) in addition to those that occurred within the neighborhoods of the city (Appendix 4 List I). The results of equations (A1) to (A5) with outlet-tract specific time trends are summarized in Appendix Table I.

As before, in order to account for the heterogeneity of outlets, I separate the alcohol outlets into two groups: those located in high-SES areas (top 2 quintiles of average median household income) and those located in low-SES areas (bottom 2 quintiles). I then re-estimated equations (A1) – (A5) separately for each group. Selected results from this set of regressions are presented in Appendix Tables II and III.

#### *The Effect of Alcohol Outlets on Residential Property Transaction Density*

Perhaps unsurprisingly, most of the coefficients in this part of the paper are estimated imprecisely. One explanation is the small number of property transactions that occur during the 49 month window makes it difficult for us to detect any changes. Another explanation is we probably will not expect the opening or closing of one alcohol outlet to have any ramifications on transaction volume but on transaction prices instead. Nonetheless, from Appendix Table I, the general pattern we observe is that the number of property transactions generally increases following an outlet opening and decreases following the closing of an outlet. Also, the magnitude of the effects is larger closer to the outlet than further away. This is consistent with the pattern we see in crime density. However, the implications are difficult to interpret given the lack of any strong evidence.

In the case of outlets in low-SES neighborhoods, while only a handful of the coefficients are estimated precisely, taken together, the coefficients in Appendix Table II

suggest that transaction density increases within 0.1 miles from a new outlet but decreases at locations further away. There is no consistent pattern when outlets in low-SES neighborhoods close. Again, while the decrease in transaction density between 0.1 and 0.5 miles away from the outlet is consistent with residents demonstrating loss aversion when transaction prices fall (Genesove and Mayer, 2001), the increase in transactions closer to the outlet is puzzling.

On the contrary, the opening of outlets in high-SES neighborhoods appears to decrease transaction density within 0.1 miles from the new outlet and increase transaction density further away from the outlet. The closing of outlets in high-SES neighborhoods appear to decrease transaction density up to 0.5 miles away. Again, this is loosely consistent with sellers demonstrating loss aversion.

## **Appendix 2**

### **Geocoding Procedure**

#### *Data Retrieval from the Los Angeles Police Department (LAPD)*

Due to third party privacy rights issues, the LAPD did not allow me to retrieve their incident crime reports with the location field in its original form. In cases where the location field variable takes the form of an intersection of two streets, I was allowed to retrieve it as is. However, in cases where the location field variable contained a street address, I had to run the list of street addresses through a software, ZP4, that in turn determined the corresponding ZIP+4 codes of the addresses. I then replaced the street addresses with their corresponding ZIP+4 codes before retrieving the data.

However, complications arose from the lack of a readily available spatial database of ZIP+4 codes for geocoding purposes. Instead, the only spatial databases I had available for geocoding were made up of street addresses and intersections. In order to circumvent this problem, I made use of the official United States Postal Service (USPS) data files available in my version of ZP4 to manually construct a database consisting of ZIP+4s and street addresses that corresponded to approximately the centroid of the ZIP+4 codes. Finally, I proceed to geocode this list of artificially constructed crime locations.



## Geocoding in ArcGIS Version 9.1

The address locator was created using a combination of 2 street address databases: The Census Bureau's Tiger line files and ESRI's StreetMap USA database. Geocoding results are displayed in the following format after each geocoding procedure:

**Review/Rematch Addresses**

**Statistics**

Matched with score 80 - 100:	205990 (57%)
Matched with score <80:	146204 (40%)
Unmatched:	10607 (3%)
Matched with candidates tied:	38700 (11%)
Unmatched with candidates tied:	0 (0%)

**Rematch Criteria**

☒ Unmatched addresses

☐ Addresses with score <

☐ Addresses with candidates tied

☐ All addresses

☐ in this query

**Geocoding Options...**

The score indicates how closely the individual street addresses in the list of geocoded addresses correspond to the street address it is matched to in the street address databases in terms of its various components such as the street number, street name and directional prefix and suffix. For many reasons including but not limited to the errors in the data and the street address databases, I did not find these scores to be particularly indicative of how accurately each data point is being geocoded. Instead, I found that geocoding accuracy was greatly improved by using other geographical variables in the data sets, such as the reporting district in the LAPD crime data and the 5 digit zip code in the DataQuick and liquor licensing data, for cross checking purposes. Unfortunately, due to the manually intensive nature of this process and the immense number of addresses I had to geocode (well over 1 million), I could only cross check each individual address in the



liquor licensing data. As for the LAPD crime data and the DataQuick transactions data, I limited the cross checking to points that were “matched with candidates tied” (i.e. addresses matched to 2 or more points with the same score). I did, however, individually cross check each address for a subset of my data and found that the geocoding errors of the address locators were not systematic such that my results will be biased in a particular way. Nevertheless, these data and geocoding errors will certainly affect the precision of my estimates and bias me against estimating significant coefficients.

### Appendix 3

#### Where Do Alcohol Outlets Locate?

The general perception is areas that have a higher minority presence, a higher proportion of female headed households, a lower median household income and a lower proportion of high school graduates tend also to have many undesirable alcohol outlets. While my data does not allow me to easily differentiate between desirable and undesirable alcohol outlets, it remains interesting to ask where alcohol outlets tend to locate, and whether certain types of neighborhoods tend to have more alcohol outlets than others. To answer this set of questions, I regressed the number of alcohol outlets per thousand in each census tract (Outlets) against the following demographic variables: per cent high school plus (HS), per cent college plus (College), per cent White (White), per cent Black (Black), per cent Asian (Asian), median household income (MedHHY), per capita income (percapY), number of households (HH), number of owner occupied households (Owner), average family size (FamSize), per cent receiving public assistance (PubAssist), per cent ratio of income to poverty level equals two (YPov2) and per cent ratio of income to poverty level is greater than two (YPov2plus). The above list of demographic variables is downloaded at the census tract level from the 1990 and 2000 decennial census and interpolated for each year from 1990 to 2004.

I begin with an OLS regression of equation (A6):

$$\begin{aligned}
 \text{(A6)} \quad \text{Outlets}_{it} = & \phi_1 \text{HS}_{it} + \phi_2 \text{College}_{it} + \phi_3 \text{White}_{it} + \phi_4 \text{Black}_{it} + \phi_5 \text{Asian}_{it} \\
 & + \phi_6 \text{MedHHY}_{it} + \phi_7 \text{percapY}_{it} + \phi_8 \text{HH}_{it} + \phi_9 \text{Owner}_{it} + \phi_{10} \text{FamSize}_{it} \\
 & + \phi_{11} \text{PubAssist}_{it} + \phi_{12} \text{YPov2}_{it} + \phi_{13} \text{YPov2plus}_{it} + \varepsilon_{it}
 \end{aligned}$$

In this equation,  $i$  and  $t$  index census tracts and years respectively. The results are reported in the first column of Appendix Table IV. Next, I added dummy variables for each year. The results are reported in column 2 of Appendix Table IV. Finally, I augmented equation (A6) with fixed effects for each census tract. The results of this fixed effects regression can be found in the third column of Appendix Table IV.

Prior to controlling for census tract fixed effects, the estimated coefficients for per cent high school plus, median household income, number of households and average family size are negative and significant at the 1% level, while the estimated coefficients for per capita income, per cent White, per cent Asian, per cent receiving public assistance, per cent ratio of income to poverty level equals two and per cent ratio of income to poverty level is greater than two are positive and significant at the 1% level. However, only the estimated coefficients for per cent college plus, number of households, average family size and per cent receiving public assistance remain significant once census tract fixed effects are controlled for. The same set of regressions is repeated for the number of alcohol outlets with type 20 (off-sale beer and wine) and type 21 (off-sale general) licenses per thousand separately. From columns 4-9 of Appendix Table IV, we see that the results from separating alcohol outlets based on their license types is very similar to the results obtained from using the total density of alcohol outlets. Overall, Appendix Table IV suggests that census tracts that are less residential (fewer number of households), poorer (higher per cent receiving public assistance and higher per cent of population with their ratio of poverty level to income greater than or equals to 2) and less educated (lower per cent of population with college and above level of education) tend to have higher alcohol outlet density. One caveat to note is that because demographic data is only available at the census tract level once every 10 years, interpolating 2 observations over the course of fifteen years may result in over-smoothing of the data, which may then cause the tract fixed effects to explain more of the variance than they would have if demographic data is available at a higher frequency.

## Appendix 4

### List I: Neighborhoods Within the City of Los Angeles

- |                       |                      |
|-----------------------|----------------------|
| 1. Arleta             | 20. San Pedro        |
| 2. Canoga Park        | 21. Sepulveda        |
| 3. Chatsworth         | 22. Shadow Hills     |
| 4. Encino             | 23. Sherman Oaks     |
| 5. Granada Hills      | 24. Studio City      |
| 6. Harbor City        | 25. Sun Valley       |
| 7. Highland Park      | 26. Sunland          |
| 8. Hollywood          | 27. Tarzana          |
| 9. Lake View Terrace  | 28. Toluca Lake      |
| 10. Los Angeles       | 29. Tujunga          |
| 11. Mission Hills     | 30. Valley Village   |
| 12. North Hills       | 31. Van Nuys         |
| 13. North Hollywood   | 32. Venice           |
| 14. Northridge        | 33. West Hills       |
| 15. Pacific Palisades | 34. West Los Angeles |
| 16. Pacoima           | 35. Westchester      |
| 17. Panorama City     | 36. Wilmington       |
| 18. Playa Del Rey     | 37. Winnetka         |
| 19. Reseda            | 38. Woodland Hills   |

### List II: Neighborhoods Surrounding the City of Los Angeles

- |                     |                         |
|---------------------|-------------------------|
| 1. Alhambra         | 18. Long Beach          |
| 2. Beverly Hills    | 19. Lynwood             |
| 3. Burbank          | 20. Marina Del Rey      |
| 4. Calabasas        | 21. Monterey Park       |
| 5. Carson           | 22. Pasadena            |
| 6. Commerce         | 23. Rancho Palos Verdes |
| 7. Compton          | 24. Rolling Hills       |
| 8. Culver City      | 25. San Fernando        |
| 9. East Los Angeles | 26. Santa Monica        |
| 10. El Segundo      | 27. South Gate          |
| 11. Gardena         | 28. South Pasadena      |
| 12. Glendale        | 29. Torrance            |
| 13. Hidden Hills    | 30. Universal City      |
| 14. Huntington Park | 31. Vernon              |
| 15. Inglewood       | 32. West Los Angeles    |
| 16. Lennox          | 33. Willowbrook         |
| 17. Lomita          |                         |

## 9 Tables

TABLE I  
SAMPLE CRIME DENSITY MEANS IN 1992 BY TRACT LEVEL MEDIAN OUTLET NUMBER

	All LA	Tracts with 0 outlets	Tracts with 2 or less outlets	Tracts with 5 or more outlets
	(1)	(2)	(3)	(4)
<i><u>Violent crimes</u></i>	9.6	1.6	5.0	16.2
<i>Assault with deadly weapon</i>	4.1	0.9	2.2	6.9
<i>Robbery</i>	5.5	0.7	2.8	9.4
<i><u>Property crimes</u></i>	16.0	3.1	9.3	24.5
<i>Burglary</i>	5.9	1.1	3.3	9.1
<i>Vandalism</i>	2.8	0.7	1.7	4.3
<i>Vehicle theft</i>	7.3	1.2	4.3	11.1

The entries correspond to the mean number of crimes per square mile per month in each census tract in the geographic subsample of downtown Los Angeles during 1992. We observe that census tracts with more alcohol outlets also have higher crime densities.

TABLE II  
THE EFFECT OF ALCOHOL OUTLET OPENINGS ON CRIME DENSITY

	Property crimes			Violent crimes		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<u>Equation (1)</u> $1(t_i \geq 0)$	2.41 (2.02)	0.81 (0.98)	1.60 *** (0.51)	2.76 * (1.53)	0.53 (0.63)	0.38 (0.35)
Percent jump	3.7	1.7	3.7	6.0	2.0	1.5
<u>Equation (4)</u> $1(t_i \geq 0)$	2.20 (2.51)	2.86 ** (1.20)	4.67 *** (0.96)	2.01 (1.75)	1.50 * (0.81)	3.77 *** (0.89)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.15 (1.27)	-0.52 * (0.27)	-0.25 *** (0.08)	0.56 (0.81)	-0.25 (0.17)	-0.28 *** (0.07)
Percent jump (for first outlet)	3.4	6.0	10.8	4.3	5.6	14.7
<u>Equation (5)</u> $1(t_i \geq 0)$	2.33 (2.05)	0.32 (0.97)	1.36 *** (0.51)	2.62 * (1.52)	0.59 (0.63)	0.42 (0.36)
$t_i * 1(t_i \geq 0)$	-0.03 (0.17)	-0.21 *** (0.08)	-0.10 ** (0.05)	-0.06 (0.11)	0.02 (0.05)	0.02 (0.04)
Percent jump	3.6	0.7	3.1	5.6	2.2	1.6
<u>Equation (6)</u> $1(t_i \geq 0)$	2.12 (2.52)	2.41 ** (1.21)	4.45 *** (0.95)	1.87 (1.74)	1.55 * (0.84)	3.79 *** (0.91)
$t_i * 1(t_i \geq 0)$	-0.03 (0.17)	-0.21 *** (0.08)	-0.11 ** (0.05)	-0.06 (0.11)	0.02 (0.05)	0.01 (0.04)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.15 (1.27)	-0.54 ** (0.27)	-0.26 *** (0.08)	0.56 (0.81)	-0.25 (0.17)	-0.28 *** (0.07)
Percent jump (for first outlet)	3.2	5.1	10.3	4.0	5.8	14.8
<u>Equation (7)</u> Number of outlets	4.26 * (2.56)	1.93 ** (0.97)	1.38 *** (0.47)	2.12 (1.52)	1.20 * (0.76)	-0.11 (0.42)
(Number of outlets) <sup>2</sup>	0.20 (0.48)	-0.03 (0.09)	-0.00 (0.01)	-0.12 (0.28)	0.01 (0.06)	0.04 *** (0.01)
Mean crime density	65.24	47.4	43.31	46.38	26.74	25.69

The dependent variable is the number of crimes per mile<sup>2</sup> per month. There were 703 outlet openings in this geographic subsample of downtown Los Angeles between 1992 and 2004. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of crime density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean crime density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

TABLE III  
THE EFFECT OF ALCOHOL OUTLET OPENINGS ON CRIME DENSITY, WITH OUTLET-TRACT SPECIFIC TRENDS

	Property crimes			Violent crimes		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<u>Equation (1)</u> $1(t_i \geq 0)$	3.43 *	0.47	1.00 **	2.40	0.48	0.24
	(1.94)	(0.93)	(0.48)	(1.57)	(0.61)	(0.34)
Percent jump	5.3	1.0	2.3	5.2	1.8	0.9
<u>Equation (4)</u> $1(t_i \geq 0)$	1.40	0.63	0.93	1.37	0.06	-0.04
	(2.42)	(1.35)	(0.81)	(1.67)	(0.82)	(0.65)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	1.52	-0.04	0.01	0.77	0.11	0.02
	(1.19)	(0.35)	(0.07)	(0.98)	(0.22)	(0.06)
Percent jump (for first outlet)	2.1	1.3	2.1	3.0	0.2	-0.2
<u>Equation (5)</u> $1(t_i \geq 0)$	3.05	0.08	0.86 *	2.32	0.50	0.25
	(1.97)	(0.93)	(0.49)	(1.56)	(0.61)	(0.35)
$t_i * 1(t_i \geq 0)$	-0.20	-0.20 **	-0.07	-0.04	0.01	0.01
	(0.17)	(0.09)	(0.05)	(0.12)	(0.05)	(0.04)
Percent jump	4.7	0.2	2.0	5.0	1.9	1.0
<u>Equation (6)</u> $1(t_i \geq 0)$	1.09	0.38	0.86	1.31	0.07	-0.03
	(2.42)	(1.34)	(0.80)	(1.70)	(0.83)	(0.64)
$t_i * 1(t_i \geq 0)$	-0.19	-0.20 **	-0.07	-0.04	0.01	0.01
	(0.17)	(0.09)	(0.05)	(0.12)	(0.05)	(0.04)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	1.47	-0.08	0.00	0.76	0.11	0.02
	(1.20)	(0.35)	(0.07)	(1.00)	(0.22)	(0.06)
Percent jump (for first outlet)	1.7	0.8	2.0	2.8	0.3	-0.1
<u>Equation (7)</u> Number of outlets	1.83	0.71	0.72 *	0.02	0.38	-0.02
	(2.23)	(0.97)	(0.40)	(1.59)	(0.63)	(0.31)
(Number of outlets) <sup>2</sup>	0.63	-0.04	-0.01	0.08	0.03	0.02 **
	(0.44)	(0.10)	(0.01)	(0.31)	(0.05)	(0.01)
Mean crime density	65.24	47.4	43.31	46.38	26.74	25.69

The dependent variable is the number of crimes per mile<sup>2</sup> per month. There were 703 outlet openings in this geographic subsample of downtown Los Angeles between 1992 and 2004. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of crime density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean crime density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

TABLE IV  
THE EFFECT OF ALCOHOL OUTLET CLOSINGS ON CRIME DENSITY

	Property crimes			Violent crimes		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<u>Equation (1)</u> $1(t_i \geq 0)$	-1.48 (1.12)	-0.20 (0.46)	-0.09 (0.29)	0.49 (1.05)	0.03 (0.38)	-0.32 (0.25)
Percent jump	-2.1	-1.2	-0.8	-2.4	-1.5	-1.0
<u>Equation (4)</u> $1(t_i \geq 0)$	-0.74 (1.29)	3.38 *** (0.95)	5.31 *** (0.70)	1.74 (1.48)	3.14 *** (1.11)	4.18 *** (0.71)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.67 (0.70)	-1.05 *** (0.23)	-0.46 *** (0.06)	-1.13 (0.90)	-0.91 *** (0.33)	-0.38 *** (0.06)
Percent jump (for first outlet)	-1.4	8.7	14.5	4.0	12.4	17.4
<u>Equation (5)</u> $1(t_i \geq 0)$	-1.48 (1.13)	-0.21 (0.46)	-0.08 (0.29)	0.47 (1.05)	0.04 (0.39)	-0.33 (0.25)
$t_i * 1(t_i \geq 0)$	-0.00 (0.09)	-0.02 (0.04)	0.01 (0.03)	-0.03 (0.08)	0.01 (0.03)	-0.01 (0.02)
Percent jump	-2.8	-0.5	-0.2	1.1	0.2	-1.4
<u>Equation (6)</u> $1(t_i \geq 0)$	-0.74 (1.30)	3.36 *** (0.95)	5.31 *** (0.70)	1.72 (1.48)	3.15 *** (1.11)	4.17 *** (0.71)
$t_i * 1(t_i \geq 0)$	-0.00 (0.09)	-0.02 (0.04)	-0.00 (0.03)	-0.03 (0.08)	0.01 (0.03)	-0.02 (0.02)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.67 (0.70)	-1.05 *** (0.23)	-0.46 *** (0.06)	-1.13 (0.90)	-0.91 *** (0.33)	-0.38 *** (0.06)
Percent jump (for first outlet)	-1.4	8.7	14.5	4.0	12.4	17.4
<u>Equation (7)</u> Number of outlets	1.49 (1.54)	-1.98 ** (0.93)	-1.01 *** (0.34)	0.80 (1.78)	-2.37 ** (1.20)	-0.69 ** (0.34)
$(\text{Number of outlets})^2$	0.09 (0.22)	0.25 *** (0.09)	0.05 *** (0.01)	0.03 (0.27)	0.34 *** (0.13)	0.04 *** (0.01)
Mean crime density	53.74	38.64	36.65	43.32	25.38	24.03

The dependent variable is the number of crimes per mile<sup>2</sup> per month. There were 634 outlet closings in this geographic subsample of downtown Los Angeles between 1992 and 2004. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of crime density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean crime density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

TABLE V  
THE EFFECT OF ALCOHOL OUTLET CLOSINGS ON CRIME DENSITY, WITH OUTLET-TRACT SPECIFIC TRENDS

	Property crimes			Violent crimes		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<u>Equation (1)</u> $1(t_i \geq 0)$	-1.58 (1.13)	-0.15 (0.46)	-0.05 (0.29)	0.48 (1.05)	0.01 (0.38)	-0.29 (0.25)
Percent jump	-2.9	-0.4	-0.1	1.1	0.0	-1.2
<u>Equation (4)</u> $1(t_i \geq 0)$	-2.18 * (1.31)	0.68 (0.81)	2.20 *** (0.67)	1.73 (1.57)	0.72 (1.01)	1.29 ** (0.63)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.54 (0.76)	-0.25 (0.21)	-0.19 *** (0.06)	-1.13 (1.01)	-0.21 (0.30)	-0.14 ** (0.06)
Percent jump (for first outlet)	-4.1	1.8	6.0	4.0	2.8	5.4
<u>Equation (5)</u> $1(t_i \geq 0)$	-1.59 (1.14)	-0.17 (0.46)	-0.03 (0.29)	0.47 (1.06)	0.01 (0.38)	-0.30 (0.25)
$t_i * 1(t_i \geq 0)$	-0.02 (0.09)	-0.02 (0.04)	0.02 (0.03)	-0.01 (0.08)	0.00 (0.03)	-0.02 (0.02)
Percent jump	-3.0	-0.4	-0.1	1.1	0.0	-1.2
<u>Equation (6)</u> $1(t_i \geq 0)$	-2.19 * (1.32)	0.66 (0.81)	2.21 *** (0.67)	1.72 (1.58)	0.72 (1.01)	1.28 ** (0.63)
$t_i * 1(t_i \geq 0)$	-0.02 (0.09)	-0.02 (0.04)	0.02 (0.03)	-0.01 (0.08)	0.00 (0.03)	-0.02 (0.02)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.54 (0.76)	-0.24 (0.21)	-0.19 *** (0.06)	-1.13 (1.01)	-0.21 (0.30)	-0.14 ** (0.06)
Percent jump (for first outlet)	-4.1	1.7	6.0	4.0	2.8	5.3
<u>Equation (7)</u> Number of outlets	2.31 (1.50)	-0.68 (0.77)	-0.54 * (0.29)	-0.18 (1.84)	-1.79 * (1.04)	-0.48 ** (0.24)
$(\text{Number of outlets})^2$	-0.37 (0.25)	0.11 (0.07)	0.03 *** (0.01)	0.04 (0.30)	0.28 ** (0.11)	0.04 *** (0.01)
Mean crime density	53.74	38.64	36.65	43.32	25.38	24.03

The dependent variable is the number of crimes per mile<sup>2</sup> per month. There were 634 outlet closings in this geographic subsample of downtown Los Angeles between 1992 and 2004. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of crime density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean crime density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.



TABLE VI  
THE EFFECT OF ALCOHOL OUTLET OPENINGS IN LOW-SES NEIGHBORHOODS ON CRIME DENSITY,  
WITH OUTLET-TRACT SPECIFIC TRENDS

	Property crimes			Violent crimes		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<u>Equation (4)</u> $1(t_i \geq 0)$	5.33 (4.22)	-1.53 (2.63)	4.32 *** (1.53)	0.03 (3.05)	0.14 (1.76)	1.47 (1.40)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.55 (1.71)	0.25 (0.56)	-0.16 * (0.10)	3.08 ** (1.54)	0.05 (0.34)	-0.07 (0.09)
Percent jump (for first outlet)	6.8	-2.6	7.6	0.0	0.3	3.6
<u>Equation (6)</u> $1(t_i \geq 0)$	4.80 (4.28)	-1.65 (2.61)	4.26 *** (1.51)	-0.15 (3.12)	0.29 (1.77)	1.48 (1.40)
$t_i * 1(t_i \geq 0)$	-0.30 (0.32)	-0.12 (0.16)	-0.11 (0.08)	-0.10 (0.20)	0.15 (0.10)	0.01 (0.08)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.60 (1.70)	0.22 (0.56)	-0.17 * (0.10)	3.06 ** (1.53)	0.08 (0.34)	-0.06 (0.09)
Percent jump (for first outlet)	6.1	-2.8	7.5	-0.2	0.7	3.6
<u>Equation (7)</u> Number of outlets	6.19 (3.37)	1.35 (1.57)	1.19 ** (0.60)	-1.24 (2.80)	1.43 (1.19)	0.00 (0.53)
$(\text{Number of outlets})^2$	-0.11 (0.40)	-0.06 (0.13)	-0.02 * (0.01)	0.17 (0.50)	-0.02 (0.08)	0.02 (0.01)
Mean crime density	78.76	59.61	56.97	63.78	40.35	40.99

The dependent variable is the number of crimes per mile<sup>2</sup> per month. 313 outlets in low-SES neighborhoods opened in this geographic subsample of downtown Los Angeles between 1992 and 2004. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of crime density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean crime density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

TABLE VII  
THE EFFECT OF ALCOHOL OUTLET OPENINGS IN HIGH-SES NEIGHBORHOODS ON CRIME DENSITY,  
WITH OUTLET-TRACT SPECIFIC TRENDS

	Property crimes			Violent crimes		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<i>Equation (4)</i> $1(t_i \geq 0)$	-3.44 (2.78)	-0.18 (1.38)	-1.46 (0.95)	0.80 (1.94)	-1.53 * (0.92)	-0.83 ** (0.43)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	4.26 ** (1.76)	0.59 (0.37)	0.29 ** (0.14)	-0.89 (1.04)	0.64 ** (0.26)	0.18 *** (0.07)
<i>Percent jump (for first outlet)</i>	-6.9	-0.5	-5.4	3.3	-12.7	-8.7
<i>Equation (6)</i> $1(t_i \geq 0)$	-3.32 (2.76)	-0.37 (1.38)	-1.46 (0.95)	0.72 (1.95)	-1.63 * (0.92)	-0.83 * (0.43)
$t_i * 1(t_i \geq 0)$	0.07 (0.18)	-0.17 * (0.09)	0.01 (0.05)	-0.05 (0.14)	-0.09 * (0.05)	0.01 (0.02)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	4.27 ** (1.77)	0.55 (0.37)	0.30 ** (0.14)	-0.90 (1.04)	0.62 ** (0.26)	0.18 *** (0.07)
<i>Percent jump (for first outlet)</i>	-6.7	-1.1	-5.4	3.0	-13.5	-8.7
<i>Equation (7)</i> <i>Number of outlets</i>	-5.42 ** (2.49)	1.43 (0.99)	0.54 (0.48)	-1.32 (1.81)	-0.29 (0.76)	-0.09 (0.20)
<i>(Number of outlets)^2</i>	1.95 *** (0.60)	-0.07 (0.13)	0.00 (0.02)	0.25 (0.31)	0.04 (0.09)	0.04 *** (0.01)
<i>Mean crime density</i>	49.63	33.64	27.07	24.23	12.08	9.49

The dependent variable is the number of crimes per mile<sup>2</sup> per month. 255 outlets in high-SES neighborhoods opened in this geographic subsample of downtown Los Angeles between 1992 and 2004. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of crime density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean crime density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

TABLE VIII  
THE EFFECT OF ALCOHOL OUTLET CLOSINGS IN LOW-SES NEIGHBORHOODS ON CRIME DENSITY,  
WITH OUTLET-TRACT SPECIFIC TRENDS

	Property crimes			Violent crimes		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<i>Equation (4)</i> $1(t_i \geq 0)$	-4.46 ** (1.88)	1.74 (1.24)	3.50 *** (1.10)	1.67 (2.78)	1.64 (1.68)	1.70 (1.08)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	1.46 (1.06)	-0.52 * (0.28)	-0.23 *** (0.08)	-1.54 (1.90)	-0.51 (0.45)	-0.16 ** (0.08)
<i>Percent jump (for first outlet)</i>	-7.2	3.7	7.6	2.9	4.5	4.9
<i>Equation (6)</i> $1(t_i \geq 0)$	-4.43 ** (1.91)	1.74 (1.24)	3.51 *** (1.10)	1.65 (2.79)	1.65 (1.68)	1.67 (1.08)
$t_i * 1(t_i \geq 0)$	0.03 (0.13)	-0.00 (0.06)	0.03 (0.04)	-0.03 (0.14)	0.02 (0.06)	-0.04 (0.04)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	1.45 (1.06)	-0.52 * (0.28)	-0.23 *** (0.08)	-1.53 (1.90)	-0.51 (0.45)	-0.16 ** (0.08)
<i>Percent jump (for first outlet)</i>	-7.1	3.7	7.6	2.8	4.6	4.8
<i>Equation (7)</i> <i>Number of outlets</i>	3.05 (2.18)	-1.56 (0.99)	-0.87 ** (0.36)	-0.66 (3.49)	-3.00 ** (1.20)	-0.50 (0.32)
<i>(Number of outlets)^2</i>	-0.75 * (0.41)	0.19 ** (0.09)	0.03 *** (0.01)	0.24 (0.69)	0.45 *** (0.12)	0.03 *** (0.01)
<i>Mean crime density</i>	62.06	47.65	46.10	58.39	36.21	34.64

The dependent variable is the number of crimes per mile<sup>2</sup> per month. 331 outlets in low-SES neighborhoods closed in this geographic subsample of downtown Los Angeles between 1992 and 2004. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of crime density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean crime density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

TABLE IX  
THE EFFECT OF ALCOHOL OUTLET CLOSINGS IN HIGH-SES NEIGHBORHOODS ON CRIME DENSITY,  
WITH OUTLET-TRACT SPECIFIC TRENDS

	Property crimes			Violent crimes		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<i>Equation (4)</i> $1(t_i \geq 0)$	2.19 (2.15)	-0.04 (1.06)	0.15 (0.62)	2.24 (1.51)	-0.06 (0.58)	0.30 (0.38)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.02 (1.17)	0.10 (0.31)	-0.04 (0.07)	-1.10 (0.87)	0.23 (0.18)	-0.02 (0.05)
<i>Percent jump (for first outlet)</i>	5.0	-0.2	0.7	11.5	-0.6	3.9
<i>Equation (6)</i> $1(t_i \geq 0)$	2.15 (2.15)	-0.12 (1.06)	0.15 (0.61)	2.24 (1.51)	0.07 (0.60)	0.31 (0.39)
$t_i * 1(t_i \geq 0)$	-0.03 (0.16)	-0.05 (0.06)	0.01 (0.04)	0.01 (0.09)	-0.01 (0.03)	0.01 (0.02)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.03 (1.18)	0.12 (0.31)	-0.03 (0.07)	-1.11 (0.87)	0.23 (0.18)	-0.02 (0.05)
<i>Percent jump (for first outlet)</i>	4.9	-0.5	0.7	11.5	0.7	4.0
<i>Equation (7)</i> <i>Number of outlets</i>	-2.90 (2.16)	0.55 (0.77)	0.20 (0.28)	-1.43 (1.56)	-0.06 (0.40)	-0.32 ** (0.14)
<i>(Number of outlets)^2</i>	-0.03 (0.25)	-0.07 (0.05)	-0.01 (0.01)	0.07 (0.32)	0.00 (0.03)	0.01 *** (0.00)
<i>Mean crime density</i>	43.70	25.95	21.85	19.56	9.55	7.74

The dependent variable is the number of crimes per mile<sup>2</sup> per month. 180 outlets in high-SES neighborhoods closed in this geographic subsample of downtown Los Angeles between 1992 and 2004. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of crime density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean crime density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

TABLE X: THE EFFECT OF ALCOHOL OUTLET OPENINGS ON CRIME DENSITY DURING DIFFERENT TIMES OF THE DAY

		Property crimes			Violent crimes		
		(1)	(2)	(3)	(4)	(5)	(6)
		0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
0000 - 0559 hrs	$1(t_i \geq 0)$	0.12 (0.71)	0.55 * (0.32)	0.50 *** (0.18)	1.33 * (0.69)	-0.05 (0.29)	1.21 *** (0.28)
	$t_i * 1(t_i \geq 0)$	-0.09 * (0.05)	-0.04 ** (0.02)	0.00 (0.01)	-0.06 (0.05)	-0.01 (0.02)	0.01 (0.01)
	$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.07 (0.32)	-0.04 (0.06)	-0.02 (0.01)	-0.22 (0.34)	0.04 (0.06)	-0.07 *** (0.02)
	Mean crime density	8.72	6.24	5.72	10.14	5.81	5.71
	Percent jump (for first outlet)	1.4	8.8	8.7	13.1	-0.9	21.2
0600 - 1159 hrs	$1(t_i \geq 0)$	-0.80 (0.75)	-0.33 (0.37)	0.54 ** (0.24)	0.75 (0.54)	0.05 (0.23)	0.34 ** (0.15)
	$t_i * 1(t_i \geq 0)$	-0.02 (0.05)	-0.02 (0.02)	0.00 (0.01)	-0.01 (0.04)	0.03 * (0.01)	0.02 ** (0.01)
	$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.51 (0.33)	0.04 (0.07)	-0.03 ** (0.02)	0.09 (0.22)	-0.04 (0.05)	-0.03 *** (0.01)
	Mean crime density	11.08	8.64	8.09	5.95	3.48	3.42
	Percent jump (for first outlet)	-7.2	-3.8	6.7	12.6	1.4	9.9
1200 - 1759 hrs	$1(t_i \geq 0)$	1.56 (1.18)	0.24 (0.48)	1.25 *** (0.29)	-0.23 (0.79)	0.75 ** (0.37)	0.69 ** (0.29)
	$t_i * 1(t_i \geq 0)$	0.04 (0.07)	-0.04 (0.03)	-0.05 *** (0.02)	0.07 (0.05)	0.02 (0.02)	-0.02 (0.01)
	$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.03 (0.50)	-0.14 (0.12)	-0.09 *** (0.02)	0.37 (0.42)	-0.17 ** (0.08)	-0.06 *** (0.02)
	Mean crime density	17.78	12.23	11.21	11.95	7.00	6.62
	Percent jump (for first outlet)	8.8	2.0	11.2	-1.9	10.7	10.4
1800 - 2359 hrs	$1(t_i \geq 0)$	1.24 (1.38)	1.91 *** (0.61)	2.13 *** (0.49)	0.03 (1.10)	0.80 * (0.43)	1.54 *** (0.38)
	$t_i * 1(t_i \geq 0)$	0.05 (0.10)	-0.12 *** (0.04)	-0.07 *** (0.02)	-0.06 (0.07)	-0.01 (0.02)	0.00 (0.02)
	$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.24 (0.73)	-0.39 *** (0.13)	-0.11 *** (0.04)	0.32 (0.46)	-0.08 (0.09)	-0.11 *** (0.03)
	Mean crime density	27.63	20.27	18.27	18.33	10.45	9.94
	Percent jump (for first outlet)	4.5	9.4	11.7	0.2	7.7	15.5

The dependent variable is the number of crimes per mile<sup>2</sup> per month during a particular 6 hour interval. There were 703 outlet openings in this geographic subsample of downtown Los Angeles between 1992 and 2004. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of crime density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean crime density of the sample. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

TABLE XI: THE EFFECT OF ALCOHOL OUTLET CLOSINGS ON CRIME DENSITY DURING DIFFERENT TIMES OF THE DAY

		Property crimes			Violent crimes		
		(1)	(2)	(3)	(4)	(5)	(6)
		0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
0000 - 0559 hrs	$1(t_i \geq 0)$	-0.01 (0.40)	0.64 *** (0.21)	1.02 *** (0.17)	0.81 (0.53)	0.52 * (0.30)	1.25 *** (0.21)
	$t_i * 1(t_i \geq 0)$	0.03 (0.03)	-0.00 (0.01)	0.00 (0.01)	0.05 (0.04)	-0.00 (0.01)	0.01 (0.01)
	$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.21 (0.18)	-0.20 *** (0.05)	-0.08 *** (0.01)	-0.64 ** (0.29)	-0.15 * (0.08)	-0.11 *** (0.02)
	Mean crime density	7.30	5.09	4.85	9.22	5.40	5.10
	Percent jump (for first outlet)	-0.1	12.6	21.0	8.8	9.6	24.5
0600 - 1159 hrs	$1(t_i \geq 0)$	-0.46 (0.50)	0.35 (0.25)	0.87 *** (0.16)	0.02 (0.42)	0.19 (0.21)	0.72 *** (0.12)
	$t_i * 1(t_i \geq 0)$	0.01 (0.03)	-0.01 (0.02)	0.00 (0.01)	-0.02 (0.03)	0.00 (0.01)	-0.01 (0.01)
	$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.11 (0.22)	-0.09 * (0.05)	-0.07 *** (0.01)	-0.15 (0.15)	-0.12 ** (0.06)	-0.05 *** (0.01)
	Mean crime density	9.95	7.61	7.28	6.05	3.55	3.38
	Percent jump (for first outlet)	-4.6	4.6	12.0	0.3	5.4	21.3
1200 - 1759 hrs	$1(t_i \geq 0)$	-0.26 (0.57)	0.60 * (0.32)	1.15 *** (0.23)	0.78 (0.58)	1.00 *** (0.36)	1.01 *** (0.22)
	$t_i * 1(t_i \geq 0)$	0.03 (0.04)	-0.01 (0.02)	-0.00 (0.01)	-0.00 (0.04)	0.00 (0.01)	-0.01 (0.01)
	$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.39 (0.28)	-0.21 *** (0.07)	-0.11 *** (0.02)	-0.23 (0.33)	-0.27 *** (0.10)	-0.10 *** (0.02)
	Mean crime density	14.78	10.31	9.75	11.71	6.87	6.50
	Percent jump (for first outlet)	-1.8	5.8	11.8	6.7	14.6	15.5
1800 - 2359 hrs	$1(t_i \geq 0)$	-0.02 (0.77)	1.77 *** (0.50)	2.28 *** (0.31)	0.12 (0.75)	1.43 *** (0.48)	1.18 *** (0.27)
	$t_i * 1(t_i \geq 0)$	-0.07 (0.05)	0.00 (0.02)	-0.00 (0.01)	-0.05 (0.05)	0.01 (0.02)	-0.01 (0.01)
	$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.17 (0.34)	-0.55 *** (0.13)	-0.20 *** (0.02)	-0.11 (0.38)	-0.38 *** (0.13)	-0.13 *** (0.02)
	Mean crime density	21.70	15.62	14.76	16.33	9.56	9.05
	Percent jump (for first outlet)	-0.1	11.3	15.4	0.7	15.0	13.0

The dependent variable is the number of crimes per mile<sup>2</sup> per month during a particular 6 hour interval. There were 634 outlet closings in this geographic subsample of downtown Los Angeles between 1992 and 2004. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of crime density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean crime density of the sample. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

TABLE XII  
THE IMPACT OF ALCOHOL OUTLETS ON RESIDENTIAL PROPERTY TRANSACTION PRICES

	Openings within the last 12 months		Closings within the last 12 months	
	(1)	(2)	(3)	(4)
<i>Number of outlets that ever existed ...</i>				
<i>within 0 - 0.1 miles</i>	-.0239 *** (.0037)	-.0132 *** (.0040)	-.0255 *** (.0036)	-.0152 *** (.0040)
<i>within 0.1 - 0.25 miles</i>	-.0105 *** (.0017)	-.0024 (.0016)	-.0111 *** (.0016)	-.0030 * (.0016)
<i>within 0.25 - 0.5 miles</i>	-.0070 *** (.0013)	-.0002 (.0009)	-.0074 *** (.0013)	-.0008 (.0009)
<i>Number of new openings or closings ...</i>				
<i>within 0 - 0.1 miles</i>	-.0246 (.0173)	-.0194 (.0153)	.0362 ** (.0155)	.0509 *** (.0173)
<i>within 0.1 - 0.25 miles</i>	-.0022 (.0056)	-.0031 (.0053)	.0271 *** (.0077)	.0240 *** (.0059)
<i>within 0.25 - 0.5 miles</i>	-.0042 (.0037)	-.0049 * (.0026)	.0120 *** (.0045)	.0158 *** (.0029)
<i>Zip code fixed effects</i>	√		√	
<i>Zip+4 fixed effects</i>		√		√
<i>Month and year dummies</i>	√	√	√	√
<i>Sample size</i>	303735	303735	303735	303735
<i>Adjusted R-squared</i>	0.58	0.67	0.58	0.67

The dependent variable is the natural logarithm of the real transaction price of the property. In addition to the size of the property, a full set of housing characteristic dummies were also included: the number of bedrooms is top-coded at 6; the number of baths is top-coded at 6, the number of rooms is top-coded at 15; the number of stories is top-coded at 3; the year built and the presence of a pool, jacuzzi or both. Huber-White standard errors clustered at either the 5-digit zip code or zip+4 level are in parentheses. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

TABLE XIII  
THE DIFFERENTIAL IMPACT OF ALCOHOL OUTLETS IN LOW-SES AND HIGH-SES  
NEIGHBORHOODS ON RESIDENTIAL PROPERTY TRANSACTION PRICES

	Openings within the last 12 months	Closings within the last 12 months
	(1)	(2)
<u>Number of outlets that ever existed ...</u>		
<i>within 0 - 0.1 miles</i>	-.0136 *** (.0040)	-.0147 *** (.0040)
<i>within 0.1 - 0.25 miles</i>	-.0024 (.0016)	-.0030 * (.0016)
<i>within 0.25 - 0.5 miles</i>	-.0000 (.0009)	-.0007 (.0009)
<u>Number of new openings or closings in low-SES neighborhoods ...</u>		
<i>within 0 - 0.1 miles</i>	-.0440 * (.0243)	.0424 * (.0252)
<i>within 0.1 - 0.25 miles</i>	-.0223 ** (.0106)	.0527 *** (.0110)
<i>within 0.25 - 0.5 miles</i>	-.0321 *** (.0050)	.0440 *** (.0055)
<u>Number of new openings or closings in high-SES neighborhoods ...</u>		
<i>within 0 - 0.1 miles</i>	.0157 (.0245)	-.0010 (.0263)
<i>within 0.1 - 0.25 miles</i>	.0102 (.0072)	-.0047 (.0081)
<i>within 0.25 - 0.5 miles</i>	.0075 ** (.0037)	-.0109 *** (.0041)
<i>Zip+4 fixed effects</i>	√	√
<i>Month and year dummies</i>	√	√
<i>Sample size</i>	303735	303735
<i>Adjusted R-squared</i>	0.67	0.67

The dependent variable is the natural logarithm of the real transaction price of the property. In addition to the size of the property, a full set of housing characteristic dummies were also included: the number of bedrooms is top-coded at 6; the number of baths is top-coded at 6; the number of rooms is top-coded at 15; the number of stories is top-coded at 3; the year built and the presence of a pool, jacuzzi or both. Huber-White standard errors clustered at either the 5-digit zip code or zip+4 level are in parentheses. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.



APPENDIX TABLE I  
THE EFFECT OF ALCOHOL OUTLETS ON RESIDENTIAL PROPERTY TRANSACTION DENSITY,  
WITH OUTLET-TRACT SPECIFIC TRENDS

	Outlet openings			Outlet closings		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<u>Equation (A1)</u> $1(t_i \geq 0)$	0.05 (0.08)	0.07 (0.05)	0.05 (0.03)	-0.26 (0.34)	-0.15 (0.21)	0.24 ** (0.12)
Percent jump	2.8	2.7	1.7	-8.6	-3.8	5.6
<u>Equation (A2)</u> $1(t_i \geq 0)$	0.03 (0.09)	0.03 (0.06)	0.01 (0.04)	-0.66 (0.63)	-0.50 (0.44)	-0.05 (0.22)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.02 (0.04)	0.02 (0.01)	0.00 (0.00)	0.20 (0.20)	0.08 (0.07)	0.03 * (0.01)
Percent jump (for first outlet)	1.7	1.1	0.3	-21.7	-12.5	-1.2
<u>Equation (A3)</u> $1(t_i \geq 0)$	0.06 (0.08)	0.07 (0.05)	0.05 * (0.03)	-0.63 (1.27)	-1.52 ** (0.74)	-0.53 (0.44)
$t_i * 1(t_i \geq 0)$	0.01 (0.01)	0.00 (0.00)	0.00 (0.00)	0.29 (0.33)	-0.13 (0.10)	-0.04 (0.05)
Percent jump	3.4	2.7	1.7	-20.7	-38.1	-12.4
<u>Equation (A4)</u> $1(t_i \geq 0)$	0.04 (0.09)	0.03 (0.06)	0.01 (0.04)	-2.00 (1.99)	-1.78 (1.08)	-0.73 (0.64)
$t_i * 1(t_i \geq 0)$	0.01 (0.01)	0.00 (0.00)	0.00 (0.00)	0.29 (0.32)	-0.13 (0.10)	-0.04 (0.05)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.02 (0.04)	0.02 (0.01)	0.00 (0.00)	0.64 (0.76)	0.06 (0.15)	0.02 (0.03)
Percent jump (for first outlet)	2.3	1.1	0.3	-65.8	-44.6	-17.1
<u>Equation (A5)</u> Number of outlets	0.01 (0.08)	-0.02 (0.04)	-0.06 (0.01)	0.07 (0.26)	-0.05 (0.10)	0.09 (0.05)
$(\text{Number of outlets})^2$	0.01 (0.01)	0.01 ** (0.00)	0.00 (0.00)	0.03 (0.03)	0.00 (0.01)	-0.00 (0.00)
Mean transaction density	1.77	2.62	2.86	3.04	3.99	4.28

The dependent variable is the number of residential property transactions per mile<sup>2</sup> per month. 3201 outlets opened and 732 outlets closed in this sample of the City of Los Angeles between 1980 and 2002. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of transaction density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean transaction density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

APPENDIX TABLE II  
THE EFFECT OF ALCOHOL OUTLETS IN LOW-SES NEIGHBORHOODS ON RESIDENTIAL PROPERTY TRANSACTION DENSITY,  
WITH OUTLET-TRACT SPECIFIC TRENDS

	Outlet openings			Outlet closings		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<u>Equation (A2)</u> $1(t_i \geq 0)$	0.13 (0.13)	-0.11 (0.08)	-0.03 (0.05)	-0.65 (1.25)	0.39 (0.61)	0.37 (0.30)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.01 (0.06)	0.04 ** (0.01)	0.00 (0.00)	0.27 (0.49)	0.01 (0.09)	-0.01 (0.01)
Percent jump (for first outlet)	7.9	-5.8	-1.5	-22.5	12.1	11.0
<u>Equation (A4)</u> $1(t_i \geq 0)$	0.14 (0.13)	-0.10 (0.08)	-0.03 (0.05)	3.08 (3.55)	0.73 (1.80)	-1.22 * (0.72)
$t_i * 1(t_i \geq 0)$	0.01 (0.01)	0.00 (0.00)	-0.00 (0.00)	-0.03 (0.24)	-0.14 (0.09)	-0.10 (0.08)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	-0.01 (0.06)	0.03 ** (0.01)	0.00 (0.00)	-0.27 (1.27)	-0.11 (0.24)	0.03 (0.03)
Percent jump (for first outlet)	8.5	-5.3	-1.5	106.6	22.6	-36.4
<u>Equation (A5)</u> Number of outlets	0.02 (0.12)	-0.06 (0.05)	-0.04 ** (0.02)	0.22 (0.37)	0.17 (0.12)	0.20 (0.07)
(Number of outlets) <sup>2</sup>	0.02 (0.02)	0.01 (0.00)	0.00 * (0.00)	0.00 (0.06)	-0.01 (0.01)	-0.00 (0.00)
Mean transaction density	1.64	1.90	1.97	2.89	3.23	3.35

The dependent variable is the number of residential property transactions per mile<sup>2</sup> per month. 1268 outlets opened and 359 outlets closed in low-SES neighborhoods in this sample of the City of Los Angeles between 1980 and 2002. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of transaction density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean transaction density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

APPENDIX TABLE III  
THE EFFECT OF ALCOHOL OUTLETS IN HIGH-SES NEIGHBORHOODS ON RESIDENTIAL PROPERTY TRANSACTION DENSITY,  
WITH OUTLET-TRACT SPECIFIC TRENDS

	Outlet openings			Outlet closings		
	(1)	(2)	(3)	(4)	(5)	(6)
	0 - 0.1	0.1 - 0.25	0.25 - 0.5	0 - 0.1	0.1 - 0.25	0.25 - 0.5
<u>Equation (A2)</u> $1(t_i \geq 0)$	-0.07 (0.15)	0.07 (0.09)	0.03 (0.06)	-0.39 (0.81)	-0.70 (0.68)	-0.20 (0.31)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.02 (0.06)	-0.01 (0.03)	0.01 (0.01)	0.18 (0.20)	0.03 (0.12)	0.03 (0.03)
Percent jump (for first outlet)	-3.8	2.2	0.9	-13.8	-14.9	-3.8
<u>Equation (A4)</u> $1(t_i \geq 0)$	-0.06 (0.15)	0.07 (0.10)	0.03 (0.06)	0.39 (1.76)	-1.35 (1.33)	-1.11 (1.03)
$t_i * 1(t_i \geq 0)$	0.00 (0.01)	0.00 (0.01)	-0.00 (0.00)	0.47 (0.50)	-0.22 * (0.12)	0.01 (0.06)
$1(t_i \geq 0) * (\text{Number of outlets} - 1)$	0.02 (0.06)	-0.01 (0.03)	0.01 (0.01)	-0.20 (0.63)	-0.03 (0.27)	0.13 (0.11)
Percent jump (for first outlet)	-3.3	2.2	0.9	13.8	-28.7	-21.1
<u>Equation (A5)</u> Number of outlets	-0.05 (0.14)	0.00 (0.07)	-0.06 (0.03)	-0.46 (0.43)	-0.15 (0.18)	0.03 (0.07)
$(\text{Number of outlets})^2$	0.01 (0.02)	0.00 (0.01)	0.00 (0.00)	0.07 (0.04)	0.01 (0.01)	-0.00 (0.00)
Mean transaction density	1.83	3.18	3.52	2.82	4.71	5.27

The dependent variable is the number of residential property transactions per mile<sup>2</sup> per month. 1299 outlets opened and 252 outlets closed in high-SES neighborhoods in this sample of the City of Los Angeles between 1980 and 2002. Clustered Huber-White standard errors are in parentheses. Each column (1)-(6) presents the results of a separate OLS regression using measures of transaction density at various distances away from the outlet. Percent jump refers to the estimated percent change in crime density and is obtained by dividing the coefficient of  $1(t_i \geq 0)$  by the mean transaction density of the sample presented at the bottom row of the table. \*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

APPENDIX TABLE IV  
WHERE DO ALCOHOL OUTLETS LOCATE?

	Outlets per 1000			Type 20 Outlets per 1000			Type 21 Outlets per 1000		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Per cent high school plus	-1.32 *** (-0.26)	-1.62 *** (0.29)	0.28 (0.69)	-0.80 *** (0.15)	-0.81 *** (0.16)	0.35 (0.41)	-0.53 *** (0.16)	-0.82 *** (0.19)	-0.07 (0.40)
Per cent college plus	-0.28 (0.20)	-0.20 (0.20)	-1.14 ** (0.56)	0.17 (0.14)	0.17 (0.14)	-1.05 ** (0.42)	-0.45 *** (0.08)	-0.37 *** (0.08)	-0.09 (0.23)
Per cent white	0.47 *** (0.18)	0.70 *** (0.17)	-0.34 (0.40)	0.21 * (0.12)	0.22 ** (0.11)	-0.26 (0.27)	0.26 *** (0.09)	0.47 *** (0.09)	-0.08 (0.19)
Per cent black	0.05 (0.18)	0.22 (0.17)	0.36 (0.61)	-0.18 (0.12)	-0.17 (0.11)	-0.06 (0.41)	0.23 ** (0.09)	0.40 *** (0.09)	0.41 (0.33)
Per cent asian	0.52 ** (0.23)	0.71 *** (0.23)	-0.32 (0.55)	0.17 (0.15)	0.17 (0.14)	-0.16 (0.39)	0.36 *** (0.13)	0.54 *** (0.14)	-0.16 (0.26)
Median household income (100,000s)	-0.61 *** (0.10)	-0.68 *** (0.10)	0.07 (0.38)	-0.50 *** (0.07)	-0.50 *** (0.07)	0.05 (0.29)	-0.11 * (0.06)	-0.18 *** (0.05)	0.02 (0.21)
Per capita income (100,000s)	0.52 *** (0.17)	0.38 ** (0.18)	-0.20 (0.76)	0.16 (0.11)	0.15 (0.12)	-0.15 (0.51)	0.37 *** (0.08)	0.23 *** (0.08)	-0.05 (0.38)
Number of households (10,000s)	-3.74 *** (0.34)	-3.65 *** (0.33)	-5.36 *** (0.82)	-1.86 *** (0.17)	-1.85 *** (0.17)	-3.35 *** (0.55)	-1.88 *** (0.23)	-1.80 *** (0.21)	-2.01 *** (0.40)
Number of owner occupied households (10,000s)	-0.06 (0.48)	-0.09 (0.47)	2.10 (2.20)	-0.63 ** (0.17)	-0.63 ** (0.25)	1.73 (1.37)	0.57 * (0.33)	0.53 * (0.32)	0.37 (1.20)
Average family size	-0.70 *** (0.09)	-0.72 *** (0.09)	-0.36 ** (0.15)	-0.26 *** (0.03)	-0.26 *** (0.03)	-0.13 (0.11)	-0.44 *** (0.07)	-0.46 *** (0.07)	-0.23 *** (0.07)
Per cent public assistance	1.76 *** (0.42)	2.16 *** (0.48)	1.70 ** (0.67)	1.04 *** (0.18)	1.05 *** (0.22)	1.03 ** (0.43)	0.73 ** (0.32)	1.11 *** (0.34)	0.67 * (0.39)
Poverty level/Income =2	1.65 *** (0.54)	1.75 *** (0.55)	0.85 (0.92)	0.58 ** (0.25)	0.59 ** (0.26)	0.44 (0.57)	1.07 *** (0.39)	1.16 *** (0.40)	0.41 (0.44)
Poverty level/Income >2	1.03 *** (0.25)	1.36 *** (0.30)	1.61 * (0.88)	0.69 *** (0.14)	0.70 *** (0.17)	1.13 ** (0.57)	0.34 ** (0.15)	0.66 *** (0.17)	0.48 (0.39)
Year fixed effects	No	Yes	Yes	No	Yes	Yes	No	Yes	Yes
Tract fixed effects	No	No	Yes	No	No	Yes	No	No	Yes
(Adjusted) R-squared	0.09	0.10	0.56	0.07	0.08	0.47	0.09	0.10	0.81

The dependent variables are the number of outlets per 1000 people, the number of type 20 outlets per 1000 people and the number of type 21 outlets per 1000 people. Huber-White standard errors are in parentheses. They are clustered at the census tract level in columns (3), (6) and (9). Each column (1)-(9) presents the results of a separate OLS regression.

\*\*\*, \*\* and \* denote coefficients significant at the 1%, 5% and 10% levels respectively.

## **Teresa Haenggi**

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**From:** melaniel55@aol.com  
**Sent:** Sunday, September 27, 2015 5:19 PM  
**To:** Teresa Haenggi  
**Subject:** Fwd: Valero Gas Station application to sell beer & Wine

-----Original Message-----

From: melaniel55 <[melaniel55@aol.com](mailto:melaniel55@aol.com)>  
To: Thaenggi <[Thaenggi@citysacramento.org](mailto:Thaenggi@citysacramento.org)>  
Sent: Wed, Sep 23, 2015 7:19 pm  
Subject: Valero Gas Station application to sell beer & Wine

Hi Teresa. I live at 824 8th Ave. and wanted to let you know that I am against the Valero station selling liquor. The neighbors fought this when the station was first built for very good reasons. Increase in crime being the main reason. Many children from surrounding schools hang out at this gas station and at Vic's Ice Cream through out the week and especially on Fridays and weekends. I also feel that the neighbors where not given enough time to respond to this application. My neighbor only received her notice in the mail today. It states that the deadline to make comments is Sept. 30, only a week?

Please take in to consideration the negative impact this will have on our neighborhood.

Thank you, Melanie Lavoie

## **Teresa Haenggi**

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**From:** Christopher K. Hoffman <ckhoffman@comcast.net>  
**Sent:** Saturday, September 26, 2015 12:42 PM  
**To:** Teresa Haenggi  
**Subject:** Alcohol sales at Valero Riverside Blvd

Dear Ms. Haenggi,

As you know there are liquor stores on broadway already. Coincidentally there are homeless and panhandlers along Broadway at the restaurants and business, light rail, the Target store, Tower theater as well as the freeway exits in the vicinity. Many are alcoholics. I should now since I have worked in many county hospitals and a Detox center when I was in medical school in Cincinnati Ohio. I urge you not to allow the sale of alcohol with in the heart of a residential neighborhood. Before your notice, I was hopeful that the city of Sacramento would address our homeless problem. I hope you will not bring it to within 300 feet of my home.

Hoffman Family  
1117 Teneighth Way  
Sacramento, CA 95818

## **Teresa Haenggi**

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**From:** Noah Love <jare1009@gmail.com>  
**Sent:** Friday, September 25, 2015 8:37 AM  
**To:** Teresa Haenggi  
**Subject:** I oppose Liquor License

To Whom it May Concern:

I oppose a Liquor License being issued to Valero Gas at Riverside and 8th Ave. This is a family area and we do not need anymore establishments selling liquor in the area. There is plenty of liquor to purchase at Target on the corner of Broadway and Riverside.

Sincerely,

Jaime Rench, RN  
3014 6th Street  
Sacramento, CA 95818

## **Teresa Haenggi**

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**From:** Becky Feil <rebeccafeil@yahoo.com>  
**Sent:** Tuesday, August 25, 2015 5:55 PM  
**To:** Teresa Haenggi  
**Cc:** sabanegh.r@gmail.com  
**Subject:** Riverside Valero Beer and Wine License

3211 Riverside Blvd, Sacramento, ca 95818

Dear Ms. Haenggi,

I am writing in support of the beer and wine license of the Valero at the above address. I live in Upper Land Park on 4th Avenue and I stop at and shop at the Valero on riverside several times per week. Since the Valero has been under new ownership, it has been a great place to shop. They recognize their customers, they seem to have a good sense of the neighborhood and community. I support them receiving a beer and wine license and I feel like they would be very responsible in using the license. Thank you.

Becky Feil  
728 4th Avenue  
Sacramento, CA 95818

Sent from my iPhone



## **Teresa Haenggi**

---

**From:** Dorothy Cox <saxmind@hotmail.com>  
**Sent:** Thursday, September 24, 2015 1:59 PM  
**To:** Teresa Haenggi  
**Subject:** Project: Valero Beer and Wine Sales, 3211 Riverside Blvd

Dear Ms. Haenggi:

We take this opportunity to comment on the subject project proposal. This business is surrounded by RESIDENTIAL dwellings that would surely be negatively impacted by alcohol sales at this location. It is too close to the park: such sales would surely bring customers to the area that do not live in the Land Park area. It is our understanding that other businesses located near the park (on the other side, near the zoo) do not sell alcohol - these businesses are also located close to residential dwellings. Such prohibitions keep a certain element from buying and consuming alcohol in the area.

The subject business is unusual as it is located very close to houses with families - families with the understanding that this Valero DOES NOT sell alcohol, as it is inconsistent with the area's predominantly residential use. Additionally, there is a grammar school nearby. An ice cream and soda fountain: yes! Alcohol: no!

Our property is located at 1017 8th Avenue; we have a direct view of this business. We do not want our children to see alcohol related activity there, and we do not want to bring that element to our upstanding, respectable neighborhood. Since this notice only went out to property owners located with a 300 foot radius of the site: please consider this opinion to be a probable representation of the majority of residents who live beyond said perimeter.

It is critically important that our neighborhood maintain its residential character with strong family values: this convenience store, as it is, is already somewhat inconsistent with the general area - alcohol sales would be completely out of place.

Thank you for your consideration.

Sincerely,  
Dorothy and Donald Cox

## **Teresa Haenggi**

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**From:** crench@gmail.com  
**Sent:** Thursday, September 24, 2015 7:23 PM  
**To:** Teresa Haenggi  
**Cc:** MB ICE  
**Subject:** Valero on 8th Ave & Riverside

Hello, I understand the Valero gas station on 8th ave and riverside is applying for a license to sell beer and wine. I would like to express my family's opposition. We live a few blocks away on 6th street and Perkins and frequently use the Valero and the surrounding businesses. This is a family area and selling alcohol will not promote the good of the neighborhood.

Please deny the liquor license.

Thank you

Chris, Jaime, & Noah Rench  
[Crench@gmail.com](mailto:Crench@gmail.com)

Sent from my iPhone

## **Teresa Haenggi**

---

**From:** Mary <marykayedson@sbcglobal.net>  
**Sent:** Thursday, September 24, 2015 9:51 PM  
**To:** Teresa Haenggi  
**Subject:** Valero liquor license

Please note as a 20+ year resident of Land Park and one who lives within a half mile of Valero, I strongly oppose a liquor license granted. The crime, assaults and homelessness have increased in recent years and more readily accessed liquor locally will increase the problem. Please deny the request.

## **Teresa Haenggi**

---

**From:** cathy115@comcast.net  
**Sent:** Thursday, September 24, 2015 8:55 PM  
**To:** Teresa Haenggi  
**Subject:** Valero Alcohol Permit

Please do NOT approve the Valero at Riverside and 8th in Land Park a license to sell beer and wine. We are a family community and the gas station is close to houses and an elementary school. Thank you for taking into account the concern of neighbors.  
Cathy Wetherbee  
Perkins Way

Sent from XFINITY Connect Mobile App

## **Teresa Haenggi**

---

**From:** Cathy Fiske <thefiskes@sbcglobal.net>  
**Sent:** Wednesday, September 02, 2015 12:16 PM  
**To:** sabanegh.r@gmail.com; Teresa Haenggi  
**Subject:** Riverside Valero beer and wine license

3211 Riverside Blvd., Sacramento 95818

Hi Teresa my name is Cathy Fiske and I'm a resident of land Park Sacramento. I frequently go to the Valero on Riverside and am always pleased with the service and kind hospitality of the gentleman who own it. I am in full support of them receiving a beer and wine license I think they will handle it responsibly and with good intentions Sincerely, Cathy Fiske

Sent from my iPhone

## **Teresa Haenggi**

---

**From:** Chris Cooper <xingon@hotmail.com>  
**Sent:** Wednesday, August 26, 2015 7:22 AM  
**To:** Teresa Haenggi  
**Cc:** sabanegh.r@gmail.com  
**Subject:** Riverside Valero Beer and Wine License

I support a Beer and Wine License for the Riverside Valero

*"It has to start SOMEWHERE, it has to start SOMETIME, what better place than HERE, what better time than NOW"*

Applicant Name: Rami Sabanegh

License / File No.: P15-042

**DATE MUST BE RECEIVED BY:** \_\_\_\_\_

**STATE OF CALIFORNIA  
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL**

**PROTESTANT'S / COMPLAINANT'S DECLARATION**

I, Tracey Medford, declare  
PRINT YOUR NAME

under penalty of perjury.

That I am the Protestant / Complainant herein; that I have read my previously-submitted protest/complaint and know the contents thereof; that the same is true of my knowledge except to those matters which are therein stated on information and belief and as to those matters I believe them to be true.

EXECUTED on 10-12-15, at  
(MONTH-DAY-YEAR)

Sacramento, California  
(CITY)

Signature: \_\_\_\_\_

Full Address: \_\_\_\_\_

Tracey medford

925 9th Ave

Sacramento Ca 95818

Phone No. (non-public & optional): \_\_\_\_\_

**Notice to Protestant / Complainant:**

- This verification constitutes a personal oath and must, therefore, be signed by each individual verifying the protest.
- A copy of your valid protest (including your name and address) will be provided to the applicant as a public record and pursuant to applicant's discovery rights.

**PROTEST AGAINST ALCOHOLIC BEVERAGE LICENSE APPLICATION**

- Refer to Form ABC-510, Information Regarding ABC License Application and Protests (Rev. April 2010), before completing and submitting your protest. The ABC-510 is located at [www.abc.ca.gov](http://www.abc.ca.gov) and in each district office.
- **Please print legibly or type.** Incomplete and/or illegible information will cause the protest to be rejected.
- You will be notified by letter whether or not your protest is accepted.
- If the Department recommends licensure, you will be afforded the opportunity to request a hearing on your protest.
- If a hearing is scheduled as to whether or not a license should be granted, you or your authorized representative will need to attend the hearing to testify and/or present evidence to support your protest, or your protest will be deemed abandoned.
- All protests submitted to the ABC are public records and are open to inspection pursuant to the California Public Records Act (CPRA). (Gov. Code sec. 6254 *et seq.*)
- A copy of all valid and verified protests (ABC-510-A) and Protestant's/Complainant's Declaration (ABC-128) will be provided to the applicant as part of the licensing process.

I hereby protest the issuance of a license under the Alcoholic Beverage Control Act to:

**Rami Sabanegh, Valero Gas Station**

(Name(s) of Applicant(s))

For premises at:

**3211 Riverside Blvd**

(Exact address of proposed premises)

on the grounds that:

Licensing would create a public nuisance (Section 370). Licensing would increase the harm and injury to school-aged children and the adjacent family-friendly neighborhood. The premises is located less than 0.2 miles from an elementary school and is subjected to waves of children. I have witnessed the mini-mart flooded with children. Large groups arrive at the same time and the person behind the counter painstakingly attends to one at a time, helpless to the onslaught and NOT capable of keeping an eye on children shoplifting. Licensing this premises would increase the risk that these children would also shoplift alcohol "injurious to health" of themselves and the neighborhood. Re Application: "previous conversations...with local residents" doesn't meet the intent of the "Neighborhood Contact" discussion with affected COMMUNITY Groups, such as the elementary school and Congregational B'Nai Israel, both of which are located within 0.2 miles of the premises. I and my neighbors, one block away, were never contacted.

☐ Check here if additional sheets attached

I, Tracey Medford, declare under penalty of perjury:  
PRINT (Name of Protestant)

- (1) That I am the Protestant herein;
- (2) That I have read the above protest and know the contents thereof; and
- (3) That the same is true of my own knowledge except as to those matters which are therein stated on information and belief, and as to those matters I believe to be true.

PROTESTANT'S SIGNATURE

TELEPHONE NUMBER (Optional & non-public)

SIGNED AT (City and State)

DATE SIGNED

PROTESTANT'S ADDRESS (Full address - Street name & number, Unit or Apt. No., City, State, & Zip Code)



Applicant Name: Rami Sabanegh

License / File No.: P15-042

**DATE MUST BE RECEIVED BY:** \_\_\_\_\_

**STATE OF CALIFORNIA  
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL**

**PROTESTANT'S / COMPLAINANT'S DECLARATION**

I, Shane Medford, declare  
PRINT YOUR NAME

under penalty of perjury.

That I am the Protestant / Complainant herein; that I have read my previously-submitted protest/complaint and know the contents thereof; that the same is true of my knowledge except to those matters which are therein stated on information and belief and as to those matters I believe them to be true.

EXECUTED on 10-12-15, at  
(MONTH-DAY-YEAR)

Sacramento, California  
(CITY)

Signature: \_\_\_\_\_

Full Address: \_\_\_\_\_

921 9th Ave  
Sacramento Ca 95818

Phone No. (non-public & optional): \_\_\_\_\_

**Notice to Protestant / Complainant:**

- This verification constitutes a personal oath and must, therefore, be signed by each individual verifying the protest.
- A copy of your valid protest (including your name and address) will be provided to the applicant as a public record and pursuant to applicant's discovery rights.

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- **Please print legibly or type.** Incomplete and/or illegible information will cause the protest to be rejected.
- You will be notified by letter whether or not your protest is accepted.
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- If a hearing is scheduled as to whether or not a license should be granted, you or your authorized representative will need to attend the hearing to testify and/or present evidence to support your protest, or your protest will be deemed abandoned.
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I hereby protest the issuance of a license under the Alcoholic Beverage Control Act to:

**Rami Sabanegh, Valero Gas Station**

(Name(s) of Applicant(s))

For premises at:

**3211 Riverside Blvd**

(Exact address of proposed premises)

on the grounds that:

Licensing would create a public nuisance (Section 370). Licensing would increase the harm and injury to school-aged children and the adjacent family-friendly neighborhood. The premises is located less than 0.2 miles from an elementary school and is subjected to waves of children. I have witnessed the mini-mart flooded with children. Large groups arrive at the same time and the person behind the counter painstakingly attends to one at a time, helpless to the onslaught and NOT capable of keeping an eye on children shoplifting. Licensing this premises would increase the risk that these children would also shoplift alcohol "injurious to health" of themselves and the neighborhood. Re Application: "previous conversations...with local residents" doesn't meet the intent of the "Neighborhood Contact" discussion with affected COMMUNITY Groups, such as the elementary school and Congregational B'Nai Israel, both of which are located within 0.2 miles of the premises. I and my neighbors, one block away, were never contacted.

☐ Check here if additional sheets attached

I, Shane Medford, declare under penalty of perjury:  
PRINT (Name of Protestant)

- (1) That I am the Protestant herein;
- (2) That I have read the above protest and know the contents thereof; and
- (3) That the same is true of my own knowledge except as to those matters which are therein stated on information and belief, and as to those matters I believe to be true.

PROTESTANT'S SIGNATURE

Sacramento Ca

TELEPHONE NUMBER (Optional & non-public)

SIGNED AT (City and State)

921 9th Ave Sacramento Ca 95818

DATE SIGNED

10-12-15

PROTESTANT'S ADDRESS (Full address - Street name & number, Unit or Apt. No., City, State, & Zip Code)

**PROTEST AGAINST ALCOHOLIC BEVERAGE LICENSE APPLICATION**

- Refer to Form ABC-510, Information Regarding ABC License Application and Protests (Rev. April 2010), before completing and submitting your protest. The ABC-510 is located at [www.abc.ca.gov](http://www.abc.ca.gov) and in each district office.
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- A copy of all valid and verified protests (ABC-510-A) and Protestants/Complainant's Declaration (ABC-128) will be provided to the applicant as part of the licensing process.

I hereby protest the issuance of a license under the Alcoholic Beverage Control Act to:

**Rami Sabanegh, Valero Gas Station**

(Name(s) of Applicant(s))

For premises at:

**3211 Riverside Blvd**

(Exact address of proposed premises)

on the grounds that: Licensing would create a public nuisance (Section 370). Children and families surround this gas station and small convenience store, which is located directly across the street from Vic's Ice Cream, a neighborhood landmark and gathering place for decades. In this residential neighborhood, children come and go to school and Land Park, 2 blocks away, and they frequent this convenience store, which stocks candy and sports beverages. Unlike the several larger stores that sell alcohol within a mile or 2, this tiny store is operated by one clerk, who would easily be distracted, overwhelmed, or overcome by force or threat of violence. A single clerk cannot tend the gas station, cashier, and simultaneously prevent shoplifting by children or others seeking alcohol. Armed or forcible thefts and getaways pose even greater danger to children or others present or in the area. This store is NOT an appropriate setting or location to sell alcohol; doing so would create a serious public nuisance and danger to children and neighbors.

☐ Check here if additional sheets attached

I, Joyce C. Johnston, declare under penalty of perjury:

PRINT (Name of Protestor)

- (1) That I am the Protestor herein;
- (2) That I have read the above protest and know the contents thereof; and
- (3) That the same is true of my own knowledge except as to those matters which are therein stated on information and belief, and as to those matters I believe to be true.

PROTESTANT'S SIGNATURE

*Joyce C. Johnston*

TELEPHONE NUMBER (Optional & non-public)

916 835 3915

SIGNED AT (City and State)

Sacramento CA

DATE SIGNED

11-5-15

PROTESTANT'S ADDRESS (Full address - Street name & number, Unit or Apt. No., City, State, & Zip Code)

613 5th Ave, Sacramento CA 95818

ABC-510-A (Rev. April 2010)



**PROTEST AGAINST ALCOHOLIC BEVERAGE LICENSE APPLICATION**

- Refer to Form ABC-510, Information Regarding ABC License Application and Protests (Rev. April 2010), before completing and submitting your protest. The ABC-510 is located at [www.abc.ca.gov](http://www.abc.ca.gov) and in each district office.
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(Name(s) of Applicant(s))

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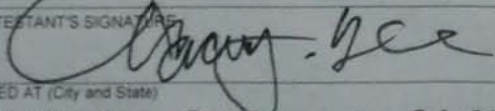
☐ Check here if additional sheets attached

I, **Marcus L. Yee**, declare under penalty of perjury:

PRINT (Name of Protestant)

- (1) That I am the Protestant herein;
- (2) That I have read the above protest and know the contents thereof; and
- (3) That the same is true of my own knowledge except as to those matters which are therein stated on information and belief, and as to those matters I believe to be true.

PROTESTANT'S SIGNATURE



TELEPHONE NUMBER (Optional & non-public)

**(916) 800-2972**

SIGNED AT (City and State)

**924 9th Ave, Sacramento, CA 95818**

DATE SIGNED

**10/04/15**

PROTESTANT'S ADDRESS (Full address - Street name & number, Unit or Apt. No., City, State, & Zip Code)

## Attachment 6: Photographs



**Project Site** - Looking southeast from corner of Riverside Blvd. and 8<sup>th</sup> Avenue



**Project Site** - Looking south across 8<sup>th</sup> Avenue



**Project Site** - Looking east across Riverside Blvd.





Looking North from Project Site



Looking East from Riverside Blvd. and 8<sup>th</sup> Avenue



Looking Northwest from Riverside Blvd. and 8<sup>th</sup> Avenue



Looking West from Project Site



Adjacent to the East (behind) Project Site





Adjacent to the South of Project Site





PHOTO 2



PHOTO 3



PHOTO 4



PHOTO 5



PHOTO 6



PHOTO 1



PHOTO 12

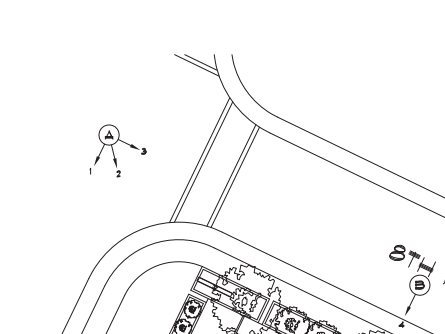


PHOTO 11

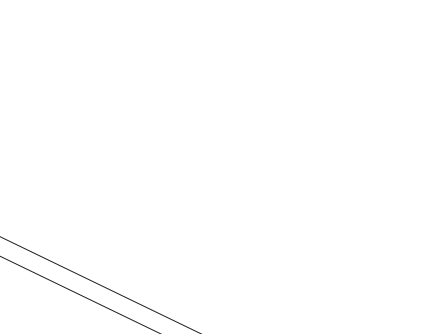


PHOTO 10



PHOTO 7



PHOTO 14

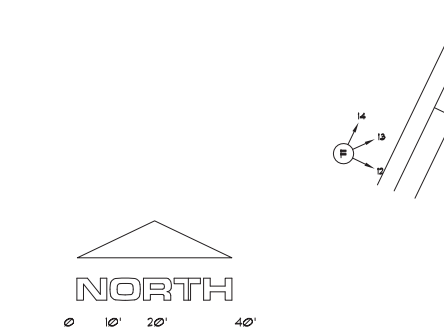


PHOTO 13

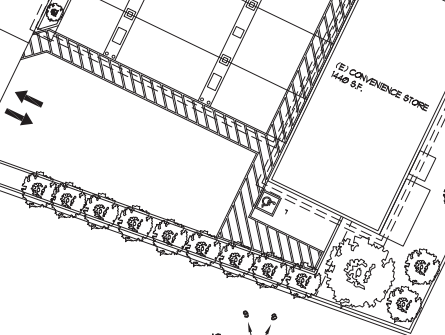


PHOTO 9

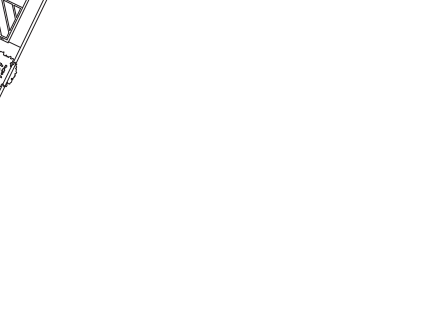
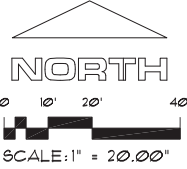
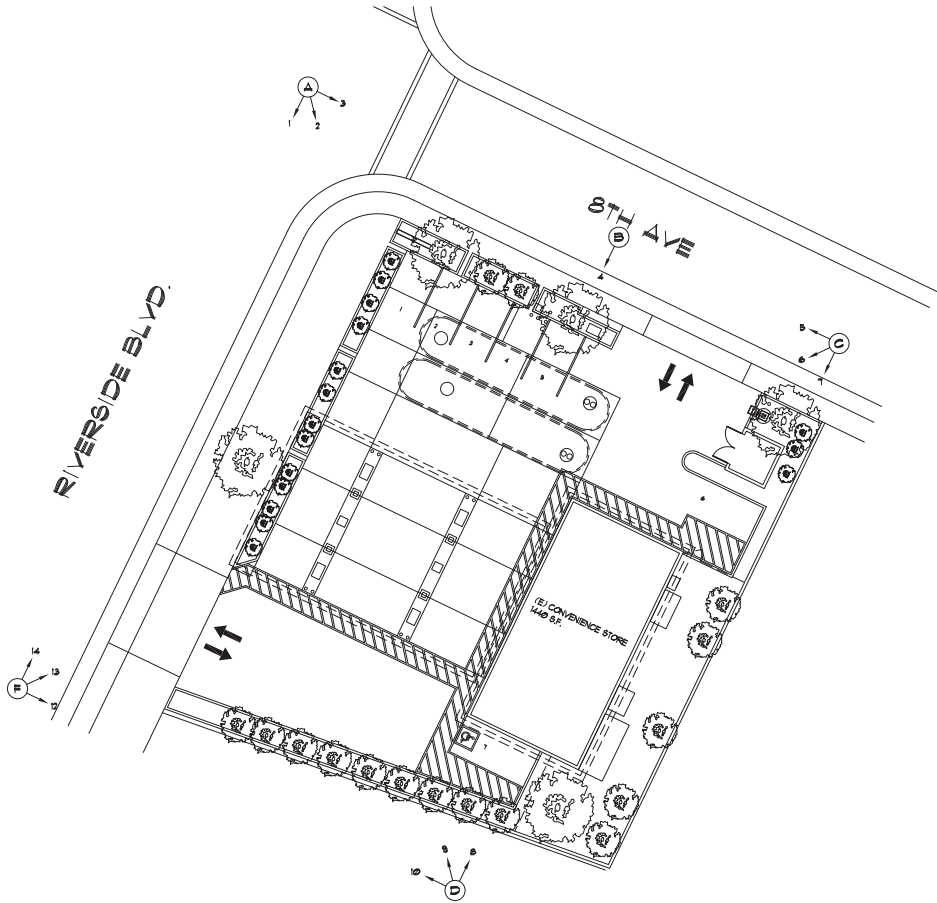


PHOTO 8

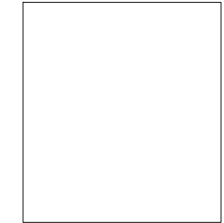


PHOTO 15



**SUTTON & ASSOCIATES, INC.**  
ENVIRONMENTAL DESIGN PLANNING

1441 LAS SALINAS WAY  
SACRAMENTO, CA 95864  
TELE (916) 993-6075  
FAX (916) 993-6074



**RIVERSIDE VALERO**  
3211 RIVERSIDE BLVD,  
SACRAMENTO, CA 95818

**RIVERSIDE VALERO**  
3211 RIVERSIDE BLVD,  
SACRAMENTO, CA 95818  
PHONE: (950) 454-6521 FAX: (XXX) XXX-XXX  
CONTACT: RAMI SABANEH

REVISION	BY

DATE: 7/23/2015  
DRAWN BY: MGF  
JOB NO: 1522

SHEET  
**CB**  
3 OF 3 SHEETS

**CONTEXT BOARD**

**Item No. 6**

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**Supplemental Material**  
**For**  
**City of Sacramento**  
**Planning and Design Commission**  
**Agenda Packet**

**For the Meeting of:** February 25, 2016

☒ Additional Material

☐ Revised Material

**Contact Information:** Teresa Haenggi, Associate Planner, (916) 808-7554  
[thaenggi@cityofsacramento.org](mailto:thaenggi@cityofsacramento.org)

**Project Name:** Valero Beer and Wine Sales (P15-042)

**Subject:** **Additional Material and Revised Material**

Attachment 1: Comment Letters (Page 1)

Attachment 2: E-mail Discussion - Public Convenience or Necessity Letter Noticing (Page 4)

**Teresa Haenggi**

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**From:** Joyce Johnston <joycecjohnston@gmail.com>  
**Sent:** Thursday, February 25, 2016 3:05 PM  
**To:** Teresa Haenggi  
**Subject:** Valero CUP Application

To Sacramento Planning Commission members:

After attending the applicant's presentation regarding this permit application, I am even more convinced that sales of beer and wine should NOT be permitted at this location.

The owners have made much of their assertion that they also reside in the neighborhood. Actually, one brother rents an apartment in the family-owned apartment building directly east of the gas station. Maggie, the owner of that apartment building (and previous owner of the gas station property) attended the presentation and was clear and strong in her OPPOSITION to sales of beer or wine on the adjacent property! She pointed out an additional risk factor that does not seem to have been considered: alcohol sales not only involve risk of theft of those products, but also involve much greater quantities of cash on the premises, inviting theft and robbery at this soft target--a convenience store staffed only by 2 brothers (one of whom is often seen outside, smoking on the premises).

You have received a very significant number of opposition letters on this permit--remarkable since only neighbors within 300' were notified of this application. I suggest that the police haven't opposed because they are relatively rarely in this neighborhood--undoubtedly in large part because there are currently no such alcohol sales permitted in the immediate neighborhood, where children flock every day after school and sporting events. Alcohol is readily and safely available at numerous nearby stores with adequate security on premises. There is no actual necessity or convenience basis for allowing such sales at this location, and there are obvious dangers and public nuisance concerns that require denial of this permit.

Sincerely,

Joyce Johnston  
Resident of 5th Avenue

Sent from my iPhone

**From:** [Alan LoFaso](#)  
**To:** [Barry Scarff](#)  
**Cc:** [Bodipo50@gmail.com](#); [Stacia Cosgrove](#); [Teresa Haenggi](#); [Antonio Ablog](#)  
**Subject:** Re: Valero Beer and Wine Sales (P15-042)  
**Date:** Wednesday, February 24, 2016 2:32:05 PM

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Mr Scarf -

I appreciate your continued engagement on this matter, and I thank you for your additional comments. I know all of the commissioners are looking at all of the public comments.

Thank you.

Alan.

On Wednesday, February 24, 2016 5:04 AM, Barry Scarff <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)> wrote:

Commissioner LoFaso -

Please vote to deny the request for a Conditional Use Permit to sell beer and wine at 3211 Riverside Boulevard, located across the street from Vic's Ice Cream, a gymnasium school, music classes, and martial arts training and within a short walk from William Land Park, Crocker Riverside elementary school, and Congregation B'Nai Israel, and less than 1,000 feet of my home.

It would be terrible if the Commission took the irrevocable action to establish the sale of beer and wine for off-site consumption, especially considering the **huge rise in crime Sacramento**, particularly in the Land Park area. I have lived in the neighborhood for 16 years and am very concerned about the increase in crime that follows the sale of alcohol.

**Violent crime rose faster in Sacramento than in any of the largest 25 U.S.**

**cities:**(<http://www.sacbee.com/news/local/crime/article61408762.html>).

**Land Park's Patrol District saw the city's largest jump in property crime, a 24%**

**increase:**(<http://www.sacbee.com/news/local/crime/article38698074.html>).

My own review of the Police Department's crime data shows a 24% increase in "park check" calls within William Land Park (which is within 1,000 feet of the applicant) in 2015.

**I also believe that the city did not follow the law in its review of this application.** City Code section 5.08.050 states that

*The police department shall provide notice of the application for a letter of public convenience or necessity to owners and residents within one thousand (1,000) feet of the outside boundaries of the property where the proposed license would be located. The notice shall advise the owners and residents that they may provide comments to the chief of police regarding the issuance of the letter.*

I checked with several of my neighbors, and none of them can recall getting a notice from the Police Department regarding their review of public convenience or necessity. They were therefore unable to provide their comments on the safety of the neighborhood. I believe that letter is also used by the State Department of Alcohol Beverage Control.

It is significant that the city uses 1,000 feet as a measurement of review in these cases. Sensitive uses such as Crocker Riverside Elementary School, the 4<sup>th</sup> R child care center, and William Land Park are all *within* 1,000 feet and B'nai Israel is approximately 1,000 feet away from the applicant.

As the report notes, several neighbors, including those who live in the immediate vicinity, have already expressed their opinion that the sale of beer and wine is inappropriate, unwanted, and will lead to increased crime.

The Staff Report ignores, and does not address, key elements of the General Plan. The staff report does not address the city's general plan Goal LU 4.3 which states that the City **shall** protect the pattern and character of Sacramento's unique traditional neighborhoods.

The staff report also does not address LU 4.1.10 which states that the City shall promote the development of **family-friendly** neighborhoods. The Report correctly states that this location is within a Traditional Center. It is important to note that the existing businesses are family friendly, including Vic's (a neighborhood gathering place for kids after school lets out), Planet Gymnastics, the Blue Fox Studio, and the Mother Goose Store.

The Report states that "The Traditional Center designation provides for walkable traditional neighborhoods that provide **essential** daily services within walking distance of surrounding residents". The sale of beer and wine is not an essential service. The fact that a *Conditional Use* Permit is being requested shows that these sales are not essential.

Thank you.

Barry Scarff  
920 9th Avenue



**Teresa Haenggi**

---

**From:** Wann, William <WWann@pd.cityofsacramento.org>  
**Sent:** Thursday, February 25, 2016 3:46 PM  
**To:** Alan LoFaso  
**Cc:** Stacia Cosgrove; Antonio Ablog; Teresa Haenggi  
**Subject:** RE: Valero Beer and Wine Sales (P15-042)  
**Attachments:** public notice sort for do not mail.pdf

Hi Mr. Lofaso,

I've been out of the State all week, and just arrived back this afternoon.

For this project (and others like it) we pulled a list from a private company named Haines. The Police Department subscribes to their "Criss+Cross Directory" so that we can do these kinds of mailers. We retrieved the addresses that were not on the "Do Not Mail" list and mailed each one of them (308) a letter. The letter was a single sheet of paper, folded and stapled, with the necessary information on the inside.

At first I looked at the list and didn't see Mr. Scarff's name or address, but I could see neighbors all around his address on 9<sup>th</sup> Avenue. We then reprinted the list to include addresses on the "Do Not Mail" list and now Mr. Scarff's name is visible along with about 11 other residents.

We contacted the California Department of Alcoholic Beverage Control. They have received 9 letters of protest. ABC conducted their mailing with a 500 foot radius (after we conducted our initial mailing). ABC is set to issue this license, with conditions, despite the 9 letters of protest.

Lastly, there is only one other off-sale location in this census tract with two allowed. This tract is not over-concentrated. The other off-sale is Capital Tastings, which is a business that provides educational wine and beer tastings. They operate from a home on Swanston, and they are not a liquor store in the traditional sense. My understanding is that they can be hired to come to your location (like a caterer) and conduct tastings.

Because this tract is not over concentrated, the applicant would not be required to get a letter of PC or N if they were requesting a beer, wine, and spirits license. Because they are only requesting beer and wine a letter of PC or N was required.

Bill

Sergeant William Wann  
Sacramento Police Department, Metro Division  
5770 Freeport Blvd., Suite 100  
Sacramento, CA 95822  
916-808-0867  
wwann@pd.cityofsacramento.org

---

**From:** Alan LoFaso [mailto:alofaso@sbcglobal.net]  
**Sent:** Wednesday, February 24, 2016 14:36  
**To:** Wann, William  
**Cc:** Cosgrove, Stacia; Ablog, Antonio; Haenggi, Teresa  
**Subject:** Fw: Valero Beer and Wine Sales (P15-042)

Bill -

This member of the public suggests the Letter of Public Convenience or Necessity process has its own discrete notice provisions, and he asserts it was not met.

Do you know of a separate process, and can you elaborate?

Thanks much. Alan.

On Wednesday, February 24, 2016 5:04 AM, Barry Scarff <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)> wrote:

Commissioner LoFaso -

Please vote to deny the request for a Conditional Use Permit to sell beer and wine at 3211 Riverside Boulevard, located across the street from Vic's Ice Cream, a gymnasium school, music classes, and martial arts training and within a short walk from William Land Park, Crocker Riverside elementary school, and Congregation B'Nai Israel, and less than 1,000 feet of my home.

It would be terrible if the Commission took the irrevocable action to establish the sale of beer and wine for off-site consumption, especially considering the **huge rise in crime Sacramento**, particularly in the Land Park area. I have lived in the neighborhood for 16 years and am very concerned about the increase in crime that follows the sale of alcohol.

**Violent crime rose faster in Sacramento than in any of the largest 25 U.S. cities:**(<http://www.sacbee.com/news/local/crime/article61408762.html>).

**Land Park's Patrol District saw the city's largest jump in property crime, a 24% increase:**(<http://www.sacbee.com/news/local/crime/article38698074.html>).

My own review of the Police Department's crime data shows a 24% increase in "park check" calls within William Land Park (which is within 1,000 feet of the applicant) in 2015.

**I also believe that the city did not follow the law in its review of this application.** City Code section 5.08.050 states that

*The police department shall provide notice of the application for a letter of public convenience or necessity to owners and residents within one thousand (1,000) feet of the outside boundaries of the property where the proposed license would be located. The notice shall advise the owners and residents that they may provide comments to the chief of police regarding the issuance of the letter.*

I checked with several of my neighbors, and none of them can recall getting a notice from the Police Department regarding their review of public convenience or necessity. They were therefore unable to provide their comments on the safety of the neighborhood. I believe that letter is also used by the State Department of Alcohol Beverage Control.

It is significant that the city uses 1,000 feet as a measurement of review in these cases. Sensitive uses such as Crocker Riverside Elementary School, the 4<sup>th</sup> R child care center, and William Land Park are all *within* 1,000 feet and B'nai Israel is approximately 1,000 feet away from the applicant.

As the report notes, several neighbors, including those who live in the immediate vicinity, have already expressed their opinion that the sale of beer and wine is inappropriate, unwanted, and will lead to increased crime.

The Staff Report ignores, and does not address, key elements of the General Plan. The staff report does not address the city's general plan Goal LU 4.3 which states that the City **shall** protect the pattern and character of Sacramento's unique traditional neighborhoods.

The staff report also does not address LU 4.1.10 which states that the City shall promote the development of **family-friendly** neighborhoods. The Report correctly states that this location is within a Traditional Center. It is important to note that the existing businesses are family friendly, including Vic's (a neighborhood gathering place for kids after school lets out), Planet Gymnastics, the Blue Fox Studio, and the Mother Goose Store.

The Report states that "The Traditional Center designation provides for walkable traditional neighborhoods that provide **essential** daily services within walking distance of surrounding residents". The sale of beer and wine is not an essential service. The fact that a *Conditional Use* Permit is being requested shows that these sales are not essential.

Thank you.

Barry Scarff  
920 9th Avenue



## Teresa Haenggi

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**From:** Wann, William <WWann@pd.cityofsacramento.org>  
**Sent:** Thursday, February 25, 2016 2:57 PM  
**To:** Barry Scarff; Teresa Haenggi  
**Cc:** Antonio Ablog; Scruggs, Sherri; Maggie  
**Subject:** RE: Valero - Police Department review

Hello Mr. Scarff,

I've been on this email tree and I have looked into this. The mailers for this issue were sent out on or about June 25, 2015. We pull our list of residences from a company called Haines and their Criss+Cross Directory. Your name is on our list as "Do Not Mail" and "Do Not Call" therefore you were not included in the mailer. We did mail the mailer to 308 residences within 1000 feet of this location.

If you will give me your neighbor "Maggie's" address I can look her up as well.

Respectfully,

Sergeant William Wann  
Sacramento Police Department, Metro Division  
5770 Freeport Blvd., Suite 100  
Sacramento, CA 95822  
916-808-0867  
[wwann@pd.cityofsacramento.org](mailto:wwann@pd.cityofsacramento.org)

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**From:** Barry Scarff [[mailto:barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)]  
**Sent:** Thursday, February 25, 2016 14:47  
**To:** Haenggi, Teresa  
**Cc:** Ablog, Antonio; Scruggs, Sherri; Wann, William; Maggie  
**Subject:** Re: Valero - Police Department review

Teresa -

---I did not receive a letter. My wife and I pay close attention and we would have paid special attention if a letter had come from the Police Department, and we would remember if we had received such a letter.

---My neighbor, Maggie, did not receive a letter (see her e-mail below).

Thank you.

- Maggie <mjlu88@gmail.com>

- 

- Today at 2:28 PM

To

- Barry Scarff

Message body

I am ok you use my name!

Maggie

On Feb 25, 2016, at 2:17 PM, Barry Scarff <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)> wrote:

Please let me know if I can use your name in my response to the City (to let them know that we never received this letter).

Tanks

---

**From:** Teresa Haenggi <[THaenggi@cityofsacramento.org](mailto:THaenggi@cityofsacramento.org)>  
**To:** Barry Scarff <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)>  
**Cc:** Antonio Ablog <[AAblog@cityofsacramento.org](mailto:AAblog@cityofsacramento.org)>; "Scruggs, Sherri" <[SScruggs@pd.cityofsacramento.org](mailto:SScruggs@pd.cityofsacramento.org)>; "Wann, William" <[WWann@pd.cityofsacramento.org](mailto:WWann@pd.cityofsacramento.org)>  
**Sent:** Thursday, February 25, 2016 11:23 AM  
**Subject:** RE: Valero - Police Department review

Barry,

I checked in with the Police Department, and they reported that they did mail out a notice of application for the public convenience or necessity to owners within 1,000 feet of the project site in June of 2015.

Thanks for your inquiry and interest in this project.

Teresa

Teresa Haenggi  
Associate Planner  
Community Development Department  
300 Richards Blvd. 3<sup>rd</sup> Floor  
Sacramento, CA 95811  
(916) 808-7554

---

**From:** Barry Scarff [[mailto:barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)]  
**Sent:** Tuesday, February 23, 2016 11:30 AM  
**To:** Teresa Haenggi  
**Cc:** Antonio Ablog  
**Subject:** Valero - Police Department review

Good morning -

I just checked with several of my neighbors, and none of them can recall getting a notice from the Police Department regarding their review of public convenience or necessity, which appears to be a requirement of city code. They were therefore unable to provide their comments on the safety of the neighborhood.

Thank you

Hi - Do any of you remember getting a notification, on or before August, from the Police Department regarding their review of crime in the neighborhood?

Part of the City's procedure is to get a letter of public convenience from the Police; city code says the police need to notify residents within 1,000, which all of us are.

*The police department shall provide notice of the application for a letter of public convenience or necessity to owners and residents within one thousand (1,000) feet of the outside boundaries of the property where the proposed license would be located. The notice shall advise the owners and residents that they may provide comments to the chief of police regarding the issuance of the letter.*

[5.08.050 Review of the application for a letter of public convenience or necessity.](#)

[5.08.050 Review of the application for a letter of public convenience or necessity.](#)

A. The chief of police shall review the application for a letter of public convenience or necessity and may request any additional information pertinent to the applicant, the proposed license, or the location.

[View on www.qcode.us](#)

Preview by Yahoo

## **Teresa Haenggi**

---

**From:** Marcus Yee <mr.mlyee@gmail.com>  
**Sent:** Thursday, February 25, 2016 2:50 PM  
**To:** Teresa Haenggi  
**Cc:** Barry Scarff  
**Subject:** Fwd: Valero - Police Department review: Andrew, did you get a notice?

Teresa, please see Andrew's email below. He was not notified. -m

----- Forwarded message -----

**From:** Andrew Schwarz <[liquidschwarz@gmail.com](mailto:liquidschwarz@gmail.com)>  
**Date:** Thu, Feb 25, 2016 at 2:47 PM  
**Subject:** Re: Valero - Police Department review: Andrew, did you get a notice?  
**To:** Marcus Yee <[mr.mlyee@gmail.com](mailto:mr.mlyee@gmail.com)>

Sure, I measured in Google Earth and I'm less than 700 feet away. Should've been notified. Definitely wasn't.

Andrew

On Thu, Feb 25, 2016 at 2:26 PM, Marcus Yee <[mr.mlyee@gmail.com](mailto:mr.mlyee@gmail.com)> wrote:

If not, can Barry add your name to the list of residents that were not notified. I believe we have a legitimate procedural challenge.

----- Forwarded message -----

**From:** "Barry Scarff" <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)>  
**Date:** Feb 25, 2016 2:17 PM  
**Subject:** Fw: Valero - Police Department review  
**To:** "Marcus Yee" <[mr.mlyee@gmail.com](mailto:mr.mlyee@gmail.com)>, "Maggie" <[mjlu88@gmail.com](mailto:mjlu88@gmail.com)>, "Eric Hansen" <[ekhansen1@gmail.com](mailto:ekhansen1@gmail.com)>, "Shane Medford" <[medfordhome@yahoo.com](mailto:medfordhome@yahoo.com)>  
**Cc:**

It sounds like the Police Department is insisting that they mailed a notice of the letter of public convenience.

Please let me know if I can use your name in my response to the City (to let them know that we never received this letter).

Thanks

----- Forwarded Message -----

**From:** Teresa Haenggi <[THaenggi@cityofsacramento.org](mailto:THaenggi@cityofsacramento.org)>  
**To:** Barry Scarff <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)>  
**Cc:** Antonio Ablog <[AAblog@cityofsacramento.org](mailto:AAblog@cityofsacramento.org)>; "Scruggs, Sherri" <[SScruggs@pd.cityofsacramento.org](mailto:SScruggs@pd.cityofsacramento.org)>; "Wann, William" <[WWann@pd.cityofsacramento.org](mailto:WWann@pd.cityofsacramento.org)>  
**Sent:** Thursday, February 25, 2016 11:23 AM  
**Subject:** RE: Valero - Police Department review



Barry,

I checked in with the Police Department, and they reported that they did mail out a notice of application for the public convenience or necessity to owners within 1,000 feet of the project site in June of 2015.

Thanks for your inquiry and interest in this project.

Teresa

Teresa Haenggi  
Associate Planner  
Community Development Department  
300 Richards Blvd. 3<sup>rd</sup> Floor  
Sacramento, CA 95811  
[\(916\) 808-7554](tel:9168087554)

---

**From:** Barry Scarff [mailto:[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)]

**Sent:** Tuesday, February 23, 2016 11:30 AM

**To:** Teresa Haenggi

**Cc:** Antonio Ablog

**Subject:** Valero - Police Department review

Good morning -

I just checked with several of my neighbors, and none of them can recall getting a notice from the Police Department regarding their review of public convenience or necessity, which appears to be a requirement of city code. They were therefore unable to provide their comments on the safety of the neighborhood.

Thank you

Hi - Do any of you remember getting a notification, on or before August, from the Police Department regarding their review of crime in the neighborhood?

Part of the City's procedure is to get a letter of public convenience from the Police; city code says the police need to notify residents within 1,000, which all of us are.

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[5.08.050 Review of the application for a letter of public convenience or necessity.](#)

[5.08.050 Review of the application for a letter of public](#)

convenience or necessity.

A. The chief of police shall review the application for a letter of public convenience or necessity and may request any additional information pertinent to the applicant, the proposed license, or the location.

[View on www.qcode.us](http://www.qcode.us)

Preview by Yahoo

## **Teresa Haenggi**

---

**From:** Marcus Yee <mr.mlyee@gmail.com>  
**Sent:** Thursday, February 25, 2016 2:48 PM  
**To:** Barry Scarff  
**Cc:** Teresa Haenggi; quongp@gmail.com  
**Subject:** Re: Valero - Police Department review

I did not receive a letter from the Police department. As you can see from my public engagement activity, I would have most definitely given numerous comments to the police department to follow up on.

Paul Quong (3400 and 3420 Riverside BLVD), my next door neighbor and copied on this message also did not receive anything from the Police Department.

Teresa, believe there are procedural issues that **need to be resolved** before the commissioners can be asked to vote on this matter.

Plases advise us immediately, if there s going to be a postponement of this agenda item as we are all very busy and it is not easy to take off time from family to attend these meetings.

-marcus

On Thu, Feb 25, 2016 at 2:37 PM, Barry Scarff <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)> wrote:  
Teresa -

---I did not receive a letter. My wife and I pay close attention and we would have paid special attention if a letter had come from the Police Department, and we would remember if we had received such a letter.

---My neighbor, Marcus, did not receive a letter (see his e-mail below).

Thank you.

----- Forwarded Message -----

**From:** Marcus Yee <[mr.mlyee@gmail.com](mailto:mr.mlyee@gmail.com)>  
**To:** Barry Scarff <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)>  
**Sent:** Thursday, February 25, 2016 2:23 PM  
**Subject:** Re: Fw: Valero - Police Department review

I did not receive a letter. Please use my name.

On Feb 25, 2016 2:17 PM, "Barry Scarff" <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)> wrote:

Please let me know if I can use your name in my response to the City (to let them know that we never received this letter).

Thanks

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**To:** Barry Scarff <[barry\\_scarff@yahoo.com](mailto:barry_scarff@yahoo.com)>  
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Teresa

Teresa Haenggi  
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Sacramento, CA 95811  
[\(916\) 808-7554](tel:(916)808-7554)

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**Sent:** Tuesday, February 23, 2016 11:30 AM  
**To:** Teresa Haenggi  
**Cc:** Antonio Ablog  
**Subject:** Valero - Police Department review

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5.08.050 Review of the application for a letter of public convenience or necessity.

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A. The chief of police shall review the application for a letter of public convenience or necessity and may request any additional information pertinent to the applicant, the proposed license, or the location.

[View on www.qcode.us](http://www.qcode.us)

Preview by Yahoo

**Meeting Date:** 4/14/2016

**Report Type:** Public Hearing

**Report ID:** 2016-00284

**Title:** Ordinance Amending Various Sections in Chapters 5.32, 17.216, 17.220 and 17.224 of the Sacramento City Code Relating to Cardrooms (Noticed 03/11/2016; Passed for Publication 03/15/2016; Published 03/18/2016)

**Location:** Citywide

**Recommendation:** Conduct a public hearing and upon conclusion, pass an Ordinance amending various sections in Chapters 5.32, 17.216, 17.220 and 17.224 of the Sacramento City Code relating to cardrooms.

**Contact:** Brad Wasson, Revenue Manager, (916) 808-5844, Department of Finance; Joy Patterson, Principal Planner, (916) 808-5607, Community Development Department

**Presenter:** Brad Wasson, Revenue Manager, (916) 808-5844, Department of Finance; Joy Patterson, Principal Planner, (916) 808-5607, Community Development Department

**Department:** Finance / Community Development Department

**Division:** Revenue Administration

**Dept ID:** 06001211

**Attachments:**

- 1-Description/Analysis
- 2-Staff Response to Councilmember Questions
- 3-Sacramento Cardroom Operators' Responses to Councilmember Questions
- 4-United Auburn Indian Community Recommendations
- 5-Cardroom Ordinance (Redline)
- 6 -Cardroom Ordinance (Clean)

---

**City Attorney Review**

Approved as to Form  
Paul Gale  
3/9/2016 8:11:52 AM

**Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 3/2/2016 2:25:55 PM

## Description/Analysis

**Issue Detail:** Cardroom licenses are currently issued by the City Manager with the assistance of the Chief of Police and the Community Development Director. Requirements for issuance of the licenses can be found in Title 5.32 (Business Licenses and Regulations) of the City Code. Several councilmembers have expressed concern that the current permitting process does not include a public hearing. To address this concern, amendments to Title 5 and Title 17 of the Sacramento City Code are proposed to require a public hearing as part of the land use review process for the establishment of a cardroom. In addition, cleanup language to Title 5 is necessary to reflect current conditions of cardroom operations in Sacramento.

Cardrooms are permitted as a source of entertainment and recreation for local citizens. The Sacramento City Code currently permits a maximum of four cardrooms in the City. Cardroom operations can impact surrounding neighborhoods yet the current permitting process does not require a public hearing. Members of the public contacted councilmembers after they learned there would be no public hearing where they could express their concerns regarding a cardroom's relocation. When cardroom modifications were discussed at a City Council meeting in September 2011, several councilmembers expressed interest in a land use permit process for cardrooms, which would provide for a public hearing.

As a result of these discussions, at the November 8, 2012, City Council meeting Councilmember Kevin McCarty requested that the City Manager direct staff to consider placing cardroom businesses in a sensitive use classification and require them to go through the conditional use permit (CUP) process requiring a noticed public hearing.

If the Sacramento City Code Title 17 was amended to add the CUP process, the City would still maintain the requirement to obtain a cardroom license. Title 5 would also be amended to require an applicant to submit a copy of the CUP, approved by the Planning and Design Commission, as part of the cardroom application.

Currently cardrooms are considered an indoor amusement and are permitted in commercial and industrial (RMX, HC, SC, C-1, C-2, C-3, C-4, M-1, M-1S, M-2 and M-2S) zones. The Planning and Development Code would be amended to specifically designate cardrooms as conditionally allowed land use and require a Planning and Design Commission CUP in the HC, SC, C-2, C-3, C-4, M-1, M-1S, M-2 and M-2S zones. The maximum number of cardrooms permitted in the City would remain at four; therefore, special permit review and approval would only be required if one of the four existing cardrooms requested to relocate or if a cardroom closed and a new cardroom applied to open in a different location. In addition, a CUP modification would be required if an existing cardroom requested to expand or make exterior modifications to its facility.

Staff was asked to review and compare the City's cardroom operating requirements with those in surrounding jurisdictions. Cardroom operators had indicated that the City's restrictions were

placing them at a disadvantage within the region. The chart below compares the surrounding jurisdictions with local cardroom permits:

### Comparison of Local City Cardroom Ordinances

	Sacramento		Citrus Heights	Folsom	Rancho Cordova
	Current	Proposed			
Betting limits	\$1,000	\$1,000	None	None	None
Maximum # of tables	15	17	17	9	11
Separation from other uses	Yes	None	None	Yes	None
Multiple ownership restricted	Yes	2	None	Yes	None
Distance between cardrooms	1 per address	1,000 feet	None	300 feet	1,000 feet
Permitting Authority	City Manager	CUP & City Manager	Chief of Police	Special Permit & City Council	City Manager

Staff has reviewed other local codes and concur that Sacramento should amend some requirements to be consistent with neighboring jurisdictions without negatively impacting the public.

The City Manager has historically placed operating conditions on each cardroom in the City. The authority to place these conditions has been inferred from the City Manager's review authority when approving a cardroom license. The draft code now explicitly gives the City Manager authority to place operating conditions on cardroom licenses.

Staff has held numerous meetings with cardroom operators over the last couple of years to obtain feedback on proposed ordinance changes. This input has been extremely valuable and consensus on most of the proposed changes has been obtained from the cardroom operators.

At the April 7, 2015 Council meeting, councilmembers had a number of questions for staff. Councilmember Schenirer volunteered to assist staff with follow up on the questions and staff met with representatives from the State of California Bureau of Gambling Control. This meeting resulted in reassurance that the State is enforcing regulations and visiting local cardrooms on an ongoing basis.

Specific questions and responses have been included in Attachments 2 and 3. During subsequent follow up with stakeholders, the United Auburn Indian Community expressed concerns with the City Code and their suggestions have been included as Attachment 4. Staff believes that retention of the \$1,000 betting limit reflects a compromise upon which the cardroom representatives and United Auburn Indian Community can move forward as both sides have indicated they can accept it remaining in the code. The State Bureau of Gambling Control has approved the change to retain the \$1,000 betting limit.

**Policy Considerations:** The proposed changes to the City Code would be consistent with the City of Sacramento 2035 General Plan Land Use and Urban Design Policy 2.1.1, Protect Established Neighborhoods:

“The City shall preserve, protect, and enhance established neighborhoods by providing sensitive transitions between these neighborhoods and adjoining areas, and requiring new development, both private and public, to respect and respond to those existing physical characteristics, building, streetscapes, open spaces, and urban form that contribute to the overall character and livability of the neighborhood.”

In addition, providing for a public hearing process is consistent with Land Use and Urban Design policy 2.8.6, Community Outreach, which states: “The City shall strive to engage all segments of the community in planning decisions...”

Limiting ownership interest in up to two cardrooms is consistent with State law and prevents a monopoly of cardrooms in Sacramento. The other recommended changes to the City Code are incidental cleanup language to reflect the current landscape of the cardroom industry.

Proximity between cardroom locations continues to be a concern for some individuals. The CUP criteria require cardrooms to be 1,000 feet apart, measured from the nearest property lines.

The draft code places the CUP approval with the Planning and Design Commission. Some cardroom operators have request that the approval be placed with the City’s Zoning Administrator. Both processes allow for a public hearing, but the Zoning Administrator process fees are less expensive and are typically quicker. The original request from Councilmember McCarty was at the Commission approval level. Staff has drafted the ordinance accordingly.

**Economic Impacts:** None.

**Environmental Considerations:** The adoption of the ordinance would have not significant effect on the environment and is exempt pursuant to California Environmental Quality Act Guidelines section 15061(b)(3),

**Sustainability:** Not applicable.

**Commission/Committee Action:** On August 4, 2011, a draft ordinance was passed by the Law and Legislation Committee that centered on multiple ownership and co-location. This draft language did not pass for publication on October 18, 2011.

On October 15, 2013, a draft ordinance passed the Law and Legislation Committee and staff was directed to forward to the Planning and Design Commission and the State of California Bureau of Gambling Control for its review and comment before presenting to City Council. The Bureau provided comments concerning specifying the maximum number of card tables as opposed to referencing the state maximum.

On February 27, 2014, the Planning and Design Review Commission approved the draft ordinance that was approved on October 15, 2013, by the Law and Legislation Committee. On March 6, 2014, staff sent the draft ordinance to the State of California Bureau of Gambling

Control for review and comment. After numerous follow up inquiries, the Bureau responded back on January 22, 2015, with concerns relating to the City automatically increasing the maximum number of card tables allowed to the State maximum. Staff changed the language to increase the number of tables from fifteen to seventeen and sent the revised language to the Bureau on January 29, 2015. On February 4, 2015, the Bureau sent a response to the City stating its agreement with the proposed zoning code changes.

On March 21, 2016, staff sent the draft code back to the Bureau with reinstatement of the \$1,000 betting limit. The Bureau sent its approval of this draft code back to the City on March 23, 2016.

**Rationale for Recommendation:** The proposal to amend the Planning and Development Code is consistent with the 2030 General Plan policies to protect established neighborhoods from incompatible uses and provide for community outreach and input through the public hearing process.

The other changes to Title 5 bring the code current to reflect the landscape of cardroom operations in Sacramento and the surrounding areas.

**Financial Considerations:** None.

**Local Business Enterprise (LBE):** Not applicable.

## Attachment 2 – Staff Response to Councilmember Questions

### City Council 4/7/15 Cardroom follow-up items:

- We need a staff person that fully understands how the cardrooms operate. The Revenue Manager has gained a comprehensive understanding of cardroom operations. With this understanding staff has found the State's role in monitoring and enforcing cardroom operations to be quite extensive.

- How does the 3<sup>rd</sup> party banker work?

They are the default "house" for a game. The California Games do not allow the casino operator to "bank" the games. Instead, the banking position is to be rotated amongst the players. Most players either do not want to or cannot afford to "bank" a hand. This is where the Third Party Providers of Proposition Player Services (3<sup>rd</sup> party banker) comes in.

At the beginning of each hand, the banking position is offered to each player in a rotational basis. If no player accepts the banking position, then it goes to the 3<sup>rd</sup> party banker. The banking position is covering the dealer's hand. The banking position also pays a small fee to the casino for each hand played.

The 3<sup>rd</sup> party banker pays rent to the casino operator for the use of the facility. This rent is scrutinized by the Bureau of Gambling Control to make sure that the operator is not receiving income from the outcome of the games.

- Can we regulate the 3<sup>rd</sup> party banker?

Yes, we can. However, the State is already doing this in great detail. It would seem to be a waste of resources to duplicate the State's efforts.

- What does DOJ regulate?
  - Cardroom licenses
  - Cardroom operators
  - Cardroom employees
  - 3<sup>rd</sup> party provider companies
  - 3<sup>rd</sup> party provider employees
  - Approval of all games

The State performs extensive criminal and financial background checks on each individual they license.

- Can we raise fees to fund enforcement?  
Yes, but the state is already providing enforcement.
- What level of enforcement makes sense?  
The City should focus on land use, secondary issues and crime associated with cardrooms, not the gaming itself.
- Can we apply a tax to raise funds?  
Yes, it would need to be approved by City residents.
- How do cardrooms get their fees?  
They get a small fee for each hand played and they make money off of food and beverage sales.
- What can we do for people with gambling problems?  
The State has an extensive program to help people with gambling problems and the cardrooms are required to participate. This includes posting information and making information available on problem gambling. Cardrooms are required to have annual training for their employees on how to recognize and handle problem gamblers. Cardrooms also participate in "self-exclusion", where individuals voluntarily ban



themselves. The cardrooms are required to fund gambling rehabilitation programs.

- How does the betting work and what happens with no-limit betting?  
There are designated betting spots on each gaming table where players place their chips. Bets are limited to \$1,000. However, players can bet multiple spots on the table. Bets rarely rise to a \$1,000 level. As a practical matter, it is not anticipated that the local cardroom players would bet any more than they currently do with no limits. With no-limit, it could simplify the betting spots on the gaming tables.

## FREQUENTLY ASKED QUESTIONS REGARDING THE REGULATION OF CARD ROOMS IN SACRAMENTO, CALIFORNIA

### 1. Who oversees Sacramento's card rooms?

Prior to 1998, California's gambling industry was essentially unregulated. It was up to local jurisdictions with valid gambling ordinances to regulate its card rooms. In Sacramento, prior to 1998, a police officer from the Vice unit would regularly patrol the card rooms to ensure the integrity of the gambling operations. However, due to the turnover in the police department, continuity of enforcement was a constant problem. This problem was not unique to Sacramento.

In 1984, the Legislature enacted the "Gaming Registration Act," which required the Attorney General's office to provide uniform, minimum regulation of California card rooms. However, the scope of the Attorney General's authority was extremely limited and funding was inadequate. Recognizing the need for broader oversight of California's gambling industry, the Legislature enacted the "Gambling Control Act" (Chapter 867, statutes of 1997).

The Gambling Control Act (Business and Professions Code section 19800 et seq.) created a comprehensive scheme for statewide regulation of legal gambling under a bifurcated system of administration involving the Division of Gambling Control within the Attorney General's Office and the five-member California Gambling Control Commission (CGCC) appointed by the governor. The commission is authorized to establish minimum regulatory standards for the gambling industry, and ensure that state gambling licenses for the owners of card rooms and individuals and businesses working therein are not issued to or held by unsuitable or unqualified individuals. The CGCC also develops and implements sound policy and regulation consistent with the Office of Administrative Law.

The Gambling Control Act charged the California Department of Justice's Bureau of Gambling Control (Bureau) with ensuring the integrity of gambling in California so that gambling is conducted honestly, competitively and free from criminal and corruptive elements. The Bureau carries out this mission by working cooperatively with the California Gambling Control Commission (CGCC) to develop and implement a means of regulating the card room industry in California to ensure a safe environment for patrons. The primary functions of this regulation include the following:

- Conduct comprehensive investigations into the qualifications of individuals and business entities who apply to the CGCC for state gambling licenses or findings of suitability,
- Conduct ongoing compliance inspections of gambling operations and establishments throughout the state,
- Review and approve the rules of games and gaming activities in all California card rooms prior to them being offered for play.

2. What does the Bureau of Gambling Control and California Gambling Control Commission do?

The California Bureau of Gambling Control (Bureau) is a regulatory agency that is part of the California Department of Justice (DOJ). The DOJ/Bureau aggressively acts to protect the public health, safety and welfare by pursuing non-compliant card rooms and seeks to revoke the licenses of unsuitable licensees by bringing disciplinary actions seeking fines and/or license revocations. The Bureau's agent routinely make unannounced site visits and conduct random compliance investigations. Card room books, cage reports, surveillance videos and report, and Title 31 compliance (cash transaction reports) are open for Bureau inspection 24/7.

One example of the Bureau's work is found locally. On November 3, 2014 the DOJ/Bureau, using its emergency authority, shut down Sacramento's Casino Royale card room and is seeking to permanently revoke its license and the licenses of its owners. The administrative investigation and hearing procedures are ongoing. The DOJ maintains its own group of attorneys who specialize exclusively in the prosecution of non-compliant card rooms.

The CGCC approves or denies licensure based on the Bureau's investigations and reports. In addition, the CGCC has the power to deny licensure on its own, to force an applicant to a hearing and to revoke a licensee's license without Bureau action.

3. Who pays for the regulation of card rooms and how much do they pay to the State each year?

Card rooms pay state and local sales taxes, income taxes and property taxes. Card rooms, third party proposition players and gambling businesses must pay significant fees to the Bureau which cover the cost of regulating and investigating California gaming industry.

Card rooms pay annual fees to the Bureau based on the number of authorized tables. Because Sacramento limits the number of authorized tables, its licensed card rooms pay the Bureau \$2,700 per table per year. Card rooms also pay the City of Sacramento an annual business license. Card room owners requires biennial licenses from the state. The application fee for each owner begins at \$6,600 and is merely a deposit on the cost of investigation. The investigation and licensing process typically takes up to two years and the applicant is responsible for the entire cost of the investigation. An owner-licensee investigation can cost the application as much as \$200,000 or more.

Third Party Provider of Proposition Player Service (TPPPPS) businesses pay the Bureau \$2,800 per employee each year for Bureau oversight and monitoring. In addition, each TPPPPS employee must pay the Bureau a background investigation fee ranging from \$500 to \$1,000 to obtain permission to work-before they can begin work. Key employees, supervisors and owners must pay an additional deposit ranging from \$2,500 to \$11,500 to the Bureau to perform their investigation. If the Bureau's investigation exceeds the deposit, the applicant must cover all of the Bureau's costs. The work permits and licenses issued by the Bureau are valid for two years, at which point new fees to pay for an updated background investigation are required. TPPPPS businesses also pay the City of Sacramento an annual business license.

4. What is a Gambling Business and Third Party Provider and why do they exist?

California permits certain forms of gambling: charitable bingo, horse racing, the State Lottery, and card rooms. Banked gaming by federally recognized Indian tribes on gaming eligible land is allowed if the tribe has a compact with the state.

Card rooms have been around since the days of the gold rush originally offering poker games. Card rooms are prohibited from conducting banked games and may have no interest whatsoever in monies wagered, lost or won. Card rooms earn their money by taking a collection from the seated players in the games played. The players play against each other, with the wager of a losing player used to pay the winning player.

California law permits what is called "California style games" which allows any seated player to assume the player-dealer position and cover the wagers of all the players. This opportunity to act as the player-dealer is a patron friendly method of gaming only found in California card rooms and authorized by the Gambling Control Act and the Penal Code. The player-dealer position must be offered to each sitting player at the table. Players that regularly act as the player-dealer must be licensed by the state as a Third Party Provider of Proposition Player Services (TPPPPS).

California state law and CGCC regulations require all TPPPPS owners, supervisors, players and other employees of the TPPPPS to register with and obtain a badge from the CGCC. They are investigated and disqualified if they have any criminal history. Their funds are traced, vetted and accounted for by the forensic accountants employed by the Bureau. In addition, before proposition player services can be provided in a California gambling establishment, the TPPPPS owner must submit the written contract to the Bureau of Gambling Control for approval. TPPPPS owners, employees, and independent contractors of third-party providers of proposition players who do not have a written, an oral, or an implied agreement with the gambling establishment are required to register with and obtain a badge from the CGCC as a gaming business.

5. What, if anything, is done about problem gambling?

California operates, through the California Department of Public Health, the state Office of Problem Gambling to promote public awareness and assist victims and their families. The program is funded by the card rooms through a fee paid to the Bureau of \$100 per year per authorized table. Additionally, every card room advertisement must display the contact information for the problem gambling hot-line. The Office of Problem Gambling provides a free, in-residence treatment program for any problem gambler seeking its services, a toll free hotline for crisis management, public awareness campaigns, research programs and training of health care and gambling professionals to identify problem gamblers. Services offered by the Office of Problem Gambling include the following.

- Telephone Counseling -24 hours a day, 7 days a week
- Outpatient Counseling -Counseling in a one-on-one private setting
- Group Counseling -Group counseling with gamblers, affected family members or mixed groups

- Intensive Outpatient – Counseling three hours per day, three times per week
- Residential Care – A 30 day inpatient program where gambler will reside at a licensed facility and receive 15 hours of counseling per week

In addition, all card room employees are required to complete training designed to identify problem gamblers and assist patrons in obtaining treatment. Card rooms participate in the statewide self-exclusion and self-restriction programs in which patrons can voluntarily and irrevocably ban themselves from one or all of California's card rooms. Each card room security staff is trained to recognize the self excluded patrons and escort the patron out if they try to enter a card room. The failure to bar self-excluded persons will lead to card room discipline.

6. Does Sacramento's levy on card room tables used exclusively for the regulation and oversight of its card rooms?

No. The fees paid by Sacramento's card rooms go to its general fund.

7. Won't removing betting limits encourage higher bets?

The proposed amendment conforms the Sacramento ordinance with that of its neighbors in Folsom, Citrus Heights and Rancho Cordova. Further, Thunder Valley has no betting limits. Players that now seek higher wagers simply take their business and their money outside of Sacramento. This amendment aims to keep their money and business here in Sacramento.

8. What kind of taxes do Sacramento's card rooms generate?

Sacramento's three operating card rooms pay a per table fee in addition to their business licenses, property taxes and sales taxes on their food and beverage operations. The card rooms and TPPPPS businesses provide living wage jobs.

9. Why do Sacramento's card rooms want to increase the number of authorized tables?

Right now Sacramento's card rooms are turning away business because they lack the capacity to meet the needs of the local players. Those players leave and take their gambling and food and beverage business to Citrus Heights, Rancho Cordova, Folsom or Thunder Valley. It is estimated that for each additional authorized table an additional six living wage jobs are directly created and those jobs have a multiplier effect. The failure to increase the number of tables authorized by state law deprives Sacramento of the opportunity to increase the number of living wage jobs and increased revenue to the city.

A recent economic study concluded that every table in a card room generates 9.62 jobs, therefore an increase in the number of authorized tables in Sacramento will create new, living wage jobs in Sacramento.

## **Attachment 4 – United Auburn Indian Community Recommendations**

### **Sacramento's proposed cardroom ordinance amendments**

Sacramento's cardroom ordinance states that it seeks to "limit the gambling within this community to a level which will be a source of entertainment and recreation for local citizens while preventing a casino-like atmosphere in this community."

Yet, the city is now considering eliminating the \$1,000 wager limit to allow unlimited stakes in every hand played.

Pressure for this comes from the outside contractors who enable the games to be banked rather than played as a round game in which winnings are paid from the players' wagers. These contractors, known as third party providers of proposition player services, employ bankers within the cardrooms who don't play a hand, but sit at the table with thousands of dollars available to cover wagers of any size. These bankers often direct the flow of play.

They take all wagers, collect from all losers and pay all winners. These bankers do not work for the cardrooms, but must pay the cardrooms for the right to bank the games and obtain the "banker's edge" on the odds. The higher the wagers, the more money the third party bankers earn because they benefit from the house edge in the game rules.

Because the banker position does not rotate continuously and systematically among each of the players, as required by the California Penal Code, the games are unlawful banked card games.

The city does not currently investigate who these bankers are, what their relationship with city licensed cardrooms is, or require them to obtain a city work permits.

In addition to eliminating the wager limit, the city is proposing to allow an increase in the number of tables at each of the four cardrooms to 17.

Given this expansion of gambling in Sacramento, the city should tighten up the ordinance by requiring cardroom licensees to report disciplinary actions by state regulatory agencies, require compliance with state law and regulations, and stop lending, credit extensions, and other inappropriate activities at the cardrooms.

Below are some common sense suggestions for additions to the ordinance that should be included to mitigate the newly authorized expansion of gambling:

1. Third party bankers should receive the same scrutiny as other individuals operating in a cardroom. They should be added to the list of people who work in cardrooms required to get a work permit from the city.
2. The ordinance should require compliance with its provisions and with state gambling laws.

3. The quarterly table operation fee imposed on cardrooms should be sufficient to fund adequately trained Police Department personnel to ensure compliance with the city ordinance and state gambling laws.
4. The separation between cardrooms should be at least 1,000 feet.
5. The ordinance should specifically prohibit loan sharking, extensions of credit, non-players seated at an active table, and the entrance to non-public areas by persons who do not have a city work permit or who are not accompanied by a cardroom employee.
6. Disciplinary actions taken against a cardroom by state regulators should be reported to the Police Department and the City Manager within 48 hours of becoming final.

## ORDINANCE NO.

Adopted by the Sacramento City Council

Date Adopted

### AN ORDINANCE AMENDING VARIOUS SECTIONS IN CHAPTERS 5.32, 17.216, 17.220, AND 17.224 OF THE SACRAMENTO CITY CODE RELATING TO CARDROOMS

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

#### SECTION 1.

Section 5.32.030 of the Sacramento City Code is amended to read as follows:

5.32.030 Statement of purpose.

A. The regulatory provisions of this ~~title chapter~~ are necessary to ensure that cardrooms are operated reasonably for the protection of public health, safety, and welfare and to conform to state-mandated requirements set by ~~the California's~~ Gambling Control Act ~~found in the Business and Professions Code commencing with Section 19800, et seq. Although many operators are highly reputable, some are not. Gaming can bring enjoyment and entertainment for patrons, but also undesirable elements such as compulsive gambling, cheating, dishonesty, criminal violations and peace disturbances.~~

B. ~~If all licensees were reputable and vigilant, very little supervision would be necessary. However, the city has found that some licensees require exhaustive monitoring and enforcement. Thorough screening of applicants prior to licensure is desirable.~~ Pursuant to ~~s~~Section 5.32.060 ~~of this chapter~~, the city manager, with the assistance of the chief of police, will conduct a thorough investigation into the background of applicants in order to assure that potential licensees will not foster criminal activity, will not be detrimental to the health, safety and welfare of the city, are of sound moral character, and that licensure is in the public interest.

C. Section 5.32.070 ~~of this chapter~~ limits the number of cardroom licenses issued to one for each ~~one hundred thousand (100,000)~~ residents of the city, with a maximum of four. The purpose of this limitation is to limit the gambling within this community to a level which will be a source of entertainment and recreation for local citizens



while preventing a casino-like atmosphere in this community. A casino-like atmosphere, where gambling becomes a major industry or attraction and the community a center for gamblers from other jurisdictions, is detrimental to the development of this community. Increased and unrestrained gambling creates greater law enforcement problems, thereby compromising the ability of law enforcement to control the criminal and peace-disturbing effects thereof and diverting police resources from other law enforcement activity. ~~The Limiting of~~ the number of licenses and cardrooms to one for each ~~one hundred thousand~~ (100,000) residents, with a maximum of four, assists in the accomplishment of these goals as opposed to permitting a greater number of licensed cardrooms.

D. Accordingly, the chief of police has determined, and the city council finds, that a limitation of one cardroom per ~~one hundred thousand~~ (100,000) residents of the city, with a maximum of four, will minimize many of the above-mentioned problems without undue burden on stable and reputable cardrooms. The purpose of this title is to protect the health, safety, and welfare of the citizens of the community, to assure that city law enforcement resources are efficiently allocated, and to provide cardrooms where citizens of this city can safely enjoy the entertainment provided by reputable cardrooms.

## SECTION 2.

Section 5.32.040 of the Sacramento City Code is amended to read as follows:

### 5.32.040 Application for cardroom license.

An applicant for a cardroom license shall submit an application to the city manager or the city manager's designee. The application shall include, among other things, the following:

A. The true name of the applicant, together with the true names of all persons directly or indirectly interested in conducting the business, including all members of any firm or partnership. A corporate applicant shall list officers, directors and principal owners, including all owners of ten percent or more of the corporate stock.

B. Whether the applicant or any individual listed in subsection A of this section has at any time been convicted of a felony, or ~~any other~~ offense involving moral turpitude, ~~or has been convicted of any narcotics, violation fraud, or violation of any~~ or gambling laws or ordinances; ~~and whether, or convicted of any fraud related crimes, or if~~ the applicant would be disqualified from holding a state gambling license for any reason specified in California Business and Professions Code ~~s~~Section 19859.

C. Whether ~~or not~~ any permit or license ~~heretofore~~ granted to applicant or any individual listed in subsection A of this section to engage in any business or do any act within any jurisdiction has been revoked or denied and, if so, the circumstances surrounding the revocation or denial.

D. The location and a description of the premises upon which the applicant proposes to conduct a cardroom and a statement of the property interest of the applicant in the premises as owner, lessee or otherwise. If premises is leased or rented, applicant shall submit a copy of the lease ~~and/or~~ rental agreement.

E. The number of card tables ~~which will to~~ be operated on the premises. The number of tables shall not exceed that as provided by ~~sSection 5.32.180(B.) of this chapter.~~

F. Such further information bearing on the identity and character of the applicant or any individual listed in subsection A of this section or the use, location, or condition of the premises as the city manager or designee may require.

G. A copy of a valid conditional use permit as required by the Planning and Development Code. If the conditional use permit is not available when the application is submitted, the applicant must submit the conditional use permit within six months from the date of application submission.

### **SECTION 3.**

Section 5.32.060 of the Sacramento City Code is amended to read as follows:

5.32.060 City manager's action on application.

A. An application for a cardroom license shall be investigated by the city manager who shall obtain recommendations and reports from the chief of police concerning the character of the applicant or any individual listed in ~~sSection 5.32.040.(A), and any law enforcement problems which that the issuance of the license might tend to create the operation of the cardroom might cause, from the planning director concerning the compatibility of the proposed use of the premises with existing zoning regulations and with neighborhood land uses, and from such other sources, including residents and businesses in the area, as the city manager may deem appropriate.~~

B. The city manager may deny an application for a cardroom license if, in the city manager's opinion, the cardroom is to be located in an area of the city where, or operated under circumstances in which it might tend to create a public nuisance, where the granting of the license would be contrary to the public interest, or issuance of a license to the applicant is, in the opinion of the city manager, contrary to the interests and health, safety and welfare of the city.

C. The city manager shall not grant a cardroom license if the applicant does not submit a complete application as required by section 5.32.040.

D. The city manager may impose conditions on the cardroom license. Violations of cardroom license conditions are grounds for suspension or revocation of the license pursuant to section 5.32.110.A.

### **SECTION 4.**

A. Subsection A of section 5.32.110 of the Sacramento City Code is amended to read as follows:

A. The city manager shall have the right for cause to revoke or suspend any cardroom license issued under this chapter, and the chief of police shall have the right for cause to revoke or suspend any cardroom work permit issued under this chapter. Any of the grounds upon which the city manager and the chief of police may refuse to grant a cardroom license application or cardroom work permit application shall also constitute grounds for revocation or suspension. The failure of a cardroom licensee or cardroom work permit holder to comply with the provisions of this ~~title-chapter also shall~~ constitutes grounds for revocation or suspension of the license or work permit. A violation of the conditional use permit shall also constitute grounds for revocation or suspension of the cardroom license.

B. Except as amended in subsection A, above, all provisions of section 5.32.110 remain unchanged and in full effect.

## **SECTION 5.**

Section 5.32.180 of the Sacramento City Code is amended to read as follows:

5.32.180 Cardroom regulations.

Except as hereinafter provided, no person shall operate a cardroom in violation of any of the following regulations:

A. No person shall be permitted to hold or be associated with more than ~~one~~ two cardroom licenses issued by the city. For purposes of this section, “associated with” means and includes, but is not limited to, having any financial interest whatsoever in any other cardroom premises (for example, lessor or owner); being a partner; affiliated with the cardroom business in any manner; ~~and~~/or being an officer, director, stockholder, or otherwise associated with a corporation holding a cardroom license.

B. Not more than ~~nine~~ 175 card tables shall be permitted in any cardroom. ~~However, should judicial or legislative action alter the restrictions or limitations in the California's Gambling Control Act Business and Professions Code section 19800 et seq., to allow for an increase in the current number of tables without voter approval, the maximum number of tables shall be increased up to the amount such judicial or legislative action allows, not to exceed a maximum of fifteen (15) tables.~~

C. Not more than one cardroom shall be located at any one ~~physical~~ address or parcel of real property.

D. Not more than ~~twelve~~ (12) players may participate at any one card table. All participating players and dealers must be seated at the table. The only exception to

this is when the chief of police approves a card game whose stated rules include provisions allowing “back-line betting.” This approved game may allow an additional ~~twelve~~ (12) players who may be unseated. These additional players shall not stand more than one behind each seated player. A back line bettor may place a wager without all seats being occupied.

E. Cardrooms shall be located on the ground floor of the premises.

F. No ~~minor person under the age of 18~~ 21 years shall be permitted at any card table or to participate in any game played ~~at a card table thereat~~, nor shall any card table be exposed to viewing from other areas of the premises which are open to and frequented by ~~minors~~ persons under 21 years of age.

G. City officers and employees may enter and inspect the cardroom property at any time during business hours to ensure compliance and enforcement of the provisions of this chapter.~~All cardrooms shall be open to police inspection during all hours of operation.~~

H. No person shall refuse, impede, obstruct, or interfere with an inspection pursuant to this chapter.

~~HI.~~ Each cardroom licensee or licensees shall post in a conspicuous place on the premises a copy of the house rules, regulations and authorized card game rules, and give notice that all persons will be required to comply with them.

~~I. Each cardroom shall be separated from other activities on the premises.~~

J. Cardrooms licensed to conduct gaming in the city shall be permitted to conduct all card games lawful in the state of California subject to the following provisions:

1. The rules of all authorized card games shall be on file with the chief of police;
2. If the game is patented, the licensee shall obtain written permission from the patent owner prior to offering the game to patrons and prior to acquiring the approval of the chief of police to conduct the game;
3. Written rules for each card game offered by a cardroom shall be provided to any patron upon request;
4. All other gaming (including, but not limited to, gaming played with dice or any device for money) not otherwise prohibited by California law is prohibited. Nothing contained in this chapter shall be construed to permit the licensing of any gambling declared illegal in the state of California. The only exception to this is when the chief of police approves a card game whose stated rules include provisions allowing for the use of dice for the express purpose of positioning the first hand dealt.

K. Any deviation or change in the rules of any card game or any new card game from that on file with the chief of police shall adhere to all provisions in this title and require the following:

1. A written set of game rules;
2. A letter from the California Division of Gambling Control advising that the game rules have been reviewed and are legal in the state of California;
3. Upon receipt of these documents, the chief of police shall review any deviation or change and within ~~ninety (90)~~ days approve the request so long as the rules are in compliance with state law and this chapter.

L. No person shall operate more card tables than the maximum amount specified on his or her cardroom license except during promotional or tournament play as set forth in ~~sSection 5.32.050 of this chapter~~ and upon full compliance with the notification provision contained therein. In no event shall ~~be the~~ number of tables operated at one time exceed that as provided in subsection B of this section, including during promotional or tournament play.

M. No person shall operate, at any time, a cardroom without having paid all fees, including the quarterly table operation fee and business operations taxes currently due.

N. Cardrooms may operate ~~twenty-four (24)~~ hours a day, seven days a week.

O. No player shall be permitted to wager or raise a wager more than ~~\$1,000.forty-nine dollars (\$49.00). Should judicial or legislative action alter the restrictions or limitations in the Gambling Control Act, section 19800 et seq., to allow for an increase in this wager limit without voter approval, the wager limit shall be increased up to the amount such judicial or legislative action allows, not to exceed one thousand dollars (\$1000.00) per wager, provided, however, that no cardroom may increase its wager limit until it has received from the chief of police prior approval of the cardroom's security plan. No person other than seated players actively participating in the game shall be permitted to place a wager on any card game, and a player shall only place a wager on his or her own card hand. Back-line betting or side-betting is prohibited. The only exception to this is when the chief of police approves a card game whose stated rules include provisions allowing "back-line betting" as noted in subsection D of this section.~~ No player shall be permitted to bet with cash money, markers, or anything other than poker chips. ~~Notice of all the provisions and restrictions provided in this section shall be posted in a conspicuous place in the cardroom.~~ A player in a card game that allows multiple betting spots may, consistent with the rules of the card game, take those multiple bets and before placing them individually may consolidate them into one stack and move the stack forward of the betting spots.

P. No cardroom shall extend credit to any patron in order for the patron to participate in a card game.

Q. No person shall employ a cardroom employee, or work as a cardroom employee, as defined in ~~sSection 5.32.080-of this chapter~~, who does not have a valid work permit as required by ~~sSection 5.32.080-of this chapter issued by the chief of police~~.

## SECTION 6.

The table set forth in section 17.216.510.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	Subject to licensing regulations in chapter 5.32;  A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;  Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.	PDC
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## SECTION 7.

The table set forth in section 17.216.710.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	Subject to licensing regulations in chapter 5.32;  A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;  Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.	PDC
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## SECTION 8.

The table set forth in section 17.216.810.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	PDC
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## SECTION 9.

The table set forth in section 17.216.910.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	PDC
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## SECTION 10.

The table set forth in section 17.220.110.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	PDC
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## SECTION 11.

The table set forth in section 17.220.210.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	PDC
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## SECTION 12.

The table set forth in section 17.220.310.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels,</p>	PDC
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	<p>from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	
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### **SECTION 13.**

The table set forth in section 17.220.410.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	PDC
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### **SECTION 14.**

The table set forth in section 17.224.410.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is</p>	PDC
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	located or to relocate the cardroom to another location on the same lot.	
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**SECTION 15.** Except as amended in sections 6 through 14, above, the tables set forth in sections 17.216.510, 17.216.710, 17.216.810, 17.216.910, 17.220.110, 17.220.210, 17.220.310, 17.220.410, and 17.224.410 remain unchanged and in full effect.

**ORDINANCE NO.**

Adopted by the Sacramento City Council

Date Adopted

**AN ORDINANCE AMENDING VARIOUS SECTIONS IN CHAPTERS 5.32, 17.216, 17.220, AND 17.224 OF THE SACRAMENTO CITY CODE RELATING TO CARDROOMS**

**BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:**

**SECTION 1.**

Section 5.32.030 of the Sacramento City Code is amended to read as follows:

5.32.030 Statement of purpose.

A. The regulatory provisions of this chapter are necessary to ensure that cardrooms are operated reasonably for the protection of public health, safety, and welfare and to conform to state-mandated requirements set by California's Gambling Control Act.

B. Pursuant to section 5.32.060, the city manager, with the assistance of the chief of police, will conduct a thorough investigation into the background of applicants in order to assure that potential licensees will not foster criminal activity, will not be detrimental to the health, safety and welfare of the city, are of sound moral character, and that licensure is in the public interest.

C. Section 5.32.070 limits the number of cardroom licenses issued to one for each 100,000 residents of the city, with a maximum of four. The purpose of this limitation is to limit the gambling within this community to a level which will be a source of entertainment and recreation for local citizens while preventing a casino-like atmosphere in this community. A casino-like atmosphere, where gambling becomes a major industry or attraction and the community a center for gamblers from other jurisdictions, is detrimental to the development of this community. Increased and unrestrained gambling creates greater law enforcement problems, thereby compromising the ability of law enforcement to control the criminal and peace-disturbing effects thereof and diverting police resources from other law enforcement activity. The limiting of the number of licenses and cardrooms to one for each

100,000 residents, with a maximum of four, assists in the accomplishment of these goals as opposed to permitting a greater number of licensed cardrooms.

D. Accordingly, the chief of police has determined, and the city council finds, that a limitation of one cardroom per 100,000 residents of the city, with a maximum of four, will minimize many of the above-mentioned problems without undue burden on stable and reputable cardrooms. The purpose of this title is to protect the health, safety, and welfare of the citizens of the community, to assure that city law enforcement resources are efficiently allocated, and to provide cardrooms where citizens of this city can safely enjoy the entertainment provided by reputable cardrooms.

## **SECTION 2.**

Section 5.32.040 of the Sacramento City Code is amended to read as follows:

### **5.32.040 Application for cardroom license.**

An applicant for a cardroom license shall submit an application to the city manager or the city manager's designee. The application shall include, among other things, the following:

A. The true name of the applicant, together with the true names of all persons directly or indirectly interested in conducting the business, including all members of any firm or partnership. A corporate applicant shall list officers, directors and principal owners, including all owners of ten percent or more of the corporate stock.

B. Whether the applicant or any individual listed in subsection A of this section has at any time been convicted of a felony, or an offense involving moral turpitude, narcotics, fraud, or gambling laws or ordinances; and whether the applicant would be disqualified from holding a state gambling license for any reason specified in California Business and Professions Code section 19859.

C. Whether any permit or license granted to applicant or any individual listed in subsection A of this section to engage in any business or do any act within any jurisdiction has been revoked or denied and, if so, the circumstances surrounding the revocation or denial.

D. The location and a description of the premises upon which the applicant proposes to conduct a cardroom and a statement of the property interest of the applicant in the premises as owner, lessee or otherwise. If premises is leased or rented, applicant shall submit a copy of the lease or rental agreement.

E. The number of card tables to be operated on the premises. The number of tables shall not exceed that as provided by section 5.32.180.B.

F. Such further information bearing on the identity and character of the applicant or any individual listed in subsection A of this section or the use, location, or condition of the premises as the city manager or designee may require.

G. A copy of a valid conditional use permit as required by the Planning and Development Code. If the conditional use permit is not available when the application is submitted, the applicant must submit the conditional use permit within six months from the date of application submission.

### **SECTION 3.**

Section 5.32.060 of the Sacramento City Code is amended to read as follows:

5.32.060 City manager's action on application.

A. An application for a cardroom license shall be investigated by the city manager who shall obtain recommendations and reports from the chief of police concerning the character of the applicant or any individual listed in section 5.32.040.A, and any law enforcement problems that the operation of the cardroom might cause.

B. The city manager may deny an application for a cardroom license if, in the city manager's opinion, the cardroom is to be located in an area of the city where, or operated under circumstances in which it might tend to create a public nuisance, where the granting of the license would be contrary to the public interest, or issuance of a license to the applicant is, in the opinion of the city manager, contrary to the interests and health, safety and welfare of the city.

C. The city manager shall not grant a cardroom license if the applicant does not submit a complete application as required by section 5.32.040.

D. The city manager may impose conditions on the cardroom license. Violations of cardroom license conditions are grounds for suspension or revocation of the license pursuant to section 5.32.110.A.

### **SECTION 4.**

A. Subsection A of section 5.32.110 of the Sacramento City Code is amended to read as follows:

A. The city manager shall have the right for cause to revoke or suspend any cardroom license issued under this chapter, and the chief of police shall have the right for cause to revoke or suspend any cardroom work permit issued under this chapter. Any of the grounds upon which the city manager and the chief of police may refuse to grant a cardroom license application or cardroom work permit application shall also constitute grounds for revocation or suspension. The failure of a cardroom licensee or cardroom work permit holder to comply with the provisions of this chapter constitutes grounds for revocation or suspension of the license or work permit. A violation of the conditional use permit shall also constitute grounds for revocation or suspension of the cardroom license.

B. Except as amended in subsection A, above, all provisions of section 5.32.110 remain unchanged and in full effect.

## **SECTION 5.**

Section 5.32.180 of the Sacramento City Code is amended to read as follows:

### **5.32.180 Cardroom regulations.**

Except as hereinafter provided, no person shall operate a cardroom in violation of any of the following regulations:

A. No person shall be permitted to hold or be associated with more than two cardroom licenses issued by the city. For purposes of this section, “associated with” means and includes, but is not limited to, having any financial interest whatsoever in any other cardroom premises (for example, lessor or owner); being a partner; affiliated with the cardroom business in any manner; or being an officer, director, stockholder, or otherwise associated with a corporation holding a cardroom license.

B. Not more than 17 card tables shall be permitted in any cardroom.

C. Not more than one cardroom shall be located at any one address or parcel.

D. Not more than 12 players may participate at any one card table. All participating players and dealers must be seated at the table. The only exception to this is when the chief of police approves a card game whose stated rules include provisions allowing “back-line betting.” This approved game may allow an additional 12 players who may be unseated. These additional players shall not stand more than one behind each seated player. A back line bettor may place a wager without all seats being occupied.

E. Cardrooms shall be located on the ground floor of the premises.

F. No person under the age of 21 years shall be permitted at any card table or to participate in any game played at a card table, nor shall any card table be exposed to viewing from other areas of the premises which are open to and frequented by persons under 21 years of age.

G. City officers and employees may enter and inspect the cardroom property at any time during business hours to ensure compliance and enforcement of the provisions of this chapter.

H. No person shall refuse, impede, obstruct, or interfere with an inspection pursuant to this chapter.

I. Each cardroom licensee or licensees shall post in a conspicuous place on the premises a copy of the house rules, regulations and authorized card game rules, and give notice that all persons will be required to comply with them.

J. Cardrooms licensed to conduct gaming in the city shall be permitted to conduct all card games lawful in the state of California subject to the following provisions:

1. The rules of all authorized card games shall be on file with the chief of police;
2. If the game is patented, the licensee shall obtain written permission from the patent owner prior to offering the game to patrons and prior to acquiring the approval of the chief of police to conduct the game;
3. Written rules for each card game offered by a cardroom shall be provided to any patron upon request;
4. All other gaming (including, but not limited to, gaming played with dice or any device for money) not otherwise prohibited by California law is prohibited. Nothing contained in this chapter shall be construed to permit the licensing of any gambling declared illegal in the state of California. The only exception to this is when the chief of police approves a card game whose stated rules include provisions allowing for the use of dice for the express purpose of positioning the first hand dealt.

K. Any deviation or change in the rules of any card game or any new card game from that on file with the chief of police shall adhere to all provisions in this title and require the following:

1. A written set of game rules;
2. A letter from the California Division of Gambling Control advising that the gamerules have been reviewed and are legal in the state of California;
3. Upon receipt of these documents, the chief of police shall review any deviation or change and within 90days approve the request so long as the rules are in compliance with state law and this chapter.

L. No person shall operate more card tables than the maximum amount specified on his or her cardroom license except during promotional or tournament play as set forth in section 5.32.050 and upon full compliance with the notification provision contained therein. In no event shall the number of tables operated at one time exceed that as provided in subsection B of this section, including during promotional or tournament play.

M. No person shall operate, at any time, a cardroom without having paid all fees, including the quarterly table operation fee and business operations taxes currently due.

N. Cardrooms may operate 24 hours a day, seven days a week.

O. No player shall be permitted to wager or raise a wager more than \$1,000. No player shall be permitted to bet with cash money, markers, or anything other than poker chips. A player in a card game that allows multiple betting spots may, consistent with the rules of the card game, take those multiple bets and before placing them individually may consolidate them into one stack and move the stack forward of the betting spots.

P. No cardroom shall extend credit to any patron in order for the patron to participate in a card game.

Q. No person shall employ a cardroom employee, or work as a cardroom employee, as defined in section 5.32.080, who does not have a valid work permit as required by section 5.32.080.

## SECTION 6.

The table set forth in section 17.216.510.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	Subject to licensing regulations in chapter 5.32;  A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;  Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.	PDC
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## SECTION 7.

The table set forth in section 17.216.710.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	Subject to licensing regulations in chapter 5.32;  A cardroom may not be located within 1,000 feet, measured from the nearest	PDC
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	<p>property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	
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## SECTION 8.

The table set forth in section 17.216.810.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	PDC
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## SECTION 9.

The table set forth in section 17.216.910.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion</p>	PDC
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	of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.	
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## SECTION 10.

The table set forth in section 17.220.110.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	PDC
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## SECTION 11.

The table set forth in section 17.220.210.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	PDC
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## SECTION 12.

The table set forth in section 17.220.310.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	PDC
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### **SECTION 13.**

The table set forth in section 17.220.410.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	<p>Subject to licensing regulations in chapter 5.32;</p> <p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	PDC
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### **SECTION 14.**

The table set forth in section 17.224.410.B.2 (Commercial and Institutional Uses) of the Sacramento City Code is amended to add a row as follows:

Cardroom	Subject to licensing regulations in chapter 5.32;	PDC
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	<p>A cardroom may not be located within 1,000 feet, measured from the nearest property lines of the affected parcels, from another cardroom;</p> <p>Notwithstanding section 17.232.050, a conditional use permit is not required to enlarge a cardroom on a greater portion of the building or lot on which it is located or to relocate the cardroom to another location on the same lot.</p>	
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**SECTION 15.** Except as amended in sections 6 through 14, above, the tables set forth in sections 17.216.510, 17.216.710, 17.216.810, 17.216.910, 17.220.110, 17.220.210, 17.220.310, 17.220.410, and 17.224.410 remain unchanged and in full effect.

**Meeting Date:** 4/14/2016

**Report Type:** Staff/Discussion

**Report ID:** 2016-00333

**Title:** Ordinance Adding Section 15.148.920 to the Sacramento City Code Relating to Signs for Large Entertainment Venues (M16-003) [Passed for Publication 04/05/2016; Published 04/08/2016]

**Location:** Citywide

**Recommendation:** Pass an Ordinance adding Section 15.148.920 to the Sacramento City Code, Relating to Signs for Large Entertainment Venues.

**Contact:** Sandra Yope, Senior Planner, (916) 808-7158, Community Development Department; Desmond Parrington, AICP, ESC Project Manager, (916) 808-5044, Office of the City Manager

**Presenter:** Desmond Parrington, AICP, ESC Project Manager, (916) 808-5044, Office of the City Manager

**Department:** Community Development Dept / Office of the City Manager

**Division:** Current Planning

**Dept ID:**

**Attachments:**

- 1-Description/Analysis
- 2-Ordinance (Clean)
- 3-Ordinance (Redline)

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### **City Attorney Review**

Approved as to Form  
Joseph Cerullo  
4/6/2016 3:47:31 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Ryan Devore - 3/31/2016 5:27:45 PM

## Description/Analysis

**Issue Detail:** City Code chapter 15.148 (Signs) does not allow signs for large entertainment or sports venues beyond those that are generally allowed in the zone. Nor does chapter 15.148 allow for creative signage that uses new technologies (e.g., digital signs) generally found at large entertainment venues in other jurisdictions. Accordingly, the proposed ordinance amends chapter 15.148 by adding new section 15.148.920, which specifically identifies allowed signage for large single-space entertainment venues (i.e., auditoriums, arenas, stadiums) based on the number of permanent fixed seats. Among other things, the new section does the following:

- Allows for large attached digital signs that may display general advertising for hire (to help with sponsorships of the venues)
- Identifies the allowed sign types and the allowed number of each sign type for the primary tenant and a secondary tenant
- Allows one aerial-view sign for each venue
- Defines terms unique to the new section
- Regulates the hours of operation for digital displays, to regulate light and glare at night
- Requires Design Director or Preservation Director approval of sign permits for digital displays, with any decision from a Design Director or Preservation Director hearing appealable to the Planning and Design Commission or Preservation Commission respectively\*

The new section allows for appropriate signage to identify large venues that serve as landmark destinations and have multiple entryways. It thus authorizes dynamic and creative signage that will energize the venues and the areas surrounding them. Existing venues that will benefit from these changes include the Community Center Theater, Memorial Auditorium, and the Golden One Center. Future venues such as a soccer stadium or a new performing-arts center will also benefit.

Staff presented the proposed changes to the Law and Legislation Committee on March 8. The Committee members raised several questions and concerns, including the following:

- The appropriate size of digital signs for large venues
- Whether future signage on the soccer stadium might affect development in the Railyards
- The permanence of rights for digital signage if the signage becomes problematic in the future

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\* As presented to the City Council on April 5, the new section required review by the Design Director only. Staff subsequently revised the new section by adding review by the Preservation Director, as well. See the attached redlined version of the ordinance showing the revisions.

- What aerial view signs would look like to surrounding buildings
- The appropriate level of brightness or luminosity for digital signage

As a result of this discussion, staff revised the ordinance by doing the following:

- Reducing the size of digital signs from 350 to 150 square feet for smaller entertainment venues (2,000 to 10,000 permanent seats)
- Requiring a distance of at least 150 feet between the two 700-square-foot digital displays allowed for larger entertainment venues (more than 10,000 permanent seats)
- Placing a 10-year time limit on sign permits for digital signs
- Providing that no more than 30% of a roof area may be used for aerial signage
- Conferring with sign-design and lighting experts to confirm that the light levels used in the ordinance (i.e., foot-candle and candela levels) are appropriate and are used by other jurisdictions in their sign ordinances (the light levels used were also cited as a “best practice” by the American Planning Association in its February 2016 article on signage)

Staff believes that these revisions to the ordinance, coupled with the Design Director or Preservation Director review process, provide an appropriate level of oversight and regulation by balancing the desire for exciting signage with the need to protect surrounding uses from light and glare.

**Policy Considerations:** Sign regulations are used to preserve and improve the appearance of the city as a place in which to live; to safeguard and enhance property values; to protect public and private investment in buildings and open spaces; and to promote the public health, safety, and general welfare.

**Economic Impacts:** Not applicable.

**Environmental Considerations:** The Master Environmental Impact Report (Master EIR) for the 2035 General Plan evaluated the cumulative effects of signage allowed within the city. The new section would allow signage for large venues and would not result in any significant cumulative effect not considered in the Master EIR. Each digital display allowed by the new section would be subject to review and approval by the Design Director or Preservation Director, which would include review of the individual display’s environmental effects. No new significant effect would result, and no additional review is required by the California Environmental Quality Act. (14 Cal. Code Regs. § 15061(b)(3).)

**Sustainability:** Not applicable.

**Commission/Committee Action:** The proposed ordinance was presented to the Law and Legislation Committee on March 8, 2016. The Committee forwarded the proposed ordinance to the City Council with its recommendation of approval, although several Committee members

also requested that staff conduct additional research on the questions and concerns noted above.

**Rationale for Recommendation:** Large entertainment venues have unique signage needs because of their size and the nature of their use. Chapter 15.148 does not currently accommodate these venues. The proposed ordinance authorizes signage that will enable these venues to be more recognizable and successful.

**Financial Considerations:** Not applicable.

**Local Business Enterprise (LBE):** Not applicable.



## **ORDINANCE NO. 2016-XXX**

Adopted by the Sacramento City Council  
April 14, 2016

### **AN ORDINANCE ADDING SECTION 15.148.920 TO THE SACRAMENTO CITY CODE, RELATING TO SIGNS FOR LARGE ENTERTAINMENT VENUES**

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

#### **SECTION 1.**

Section 15.148.920 is added to the Sacramento City Code to read as follows:

##### **15.148.920 Signs for large entertainment venues.**

A. The following definitions apply in this section:

“Aerial-view sign” means a sign that meets both of the following criteria: it is on the roof of a building or structure, approximately parallel with the roof plane; and it is intended to be viewed from overhead.

“Digital display” means a sign face, building face, or any building or structural component that displays images through the use of grid lights, cathode-ray projections, light-emitting diodes (LEDs), plasma screens, liquid-crystal displays (LCDs), fiber optics, or other electronic media or functionally equivalent technology.

“Director” means the design director (defined in section 17.108.050) or the preservation director (defined in section 17.108.170), as appropriate.

“Large entertainment venue” means a permanent building or structure that is used primarily for entertainment (including sporting events and cultural events); is the primary use of the site; and has at least 2,000 fixed permanent seats within a single auditorium, arena, or stadium.

“Primary user” means the person who has the right to use the largest portion of a large entertainment venue, measured in square feet of floor area.

“Secondary user” means the person who has the right to use the second largest portion of a large entertainment venue, measured in square feet of floor area.

“Suspended sign” means a double-face sign that hangs from a bracket or support attached underneath a building projection, eave, canopy, awning, or colonnade.

- B. Large entertainment venues with 2,000 to 10,000 fixed permanent seats are allowed the following signage:

1. Digital displays

- a. A digital display must be a permanently attached sign.
- b. One digital display is allowed for the primary user. No digital signs are allowed for the secondary user.
- c. The maximum display area is 150 square feet.
- d. General advertising for hire is allowed.
- e. Digital displays must meet the following criteria:
  - i. A digital display may show only a series of still images, each displayed for at least 8 seconds. The still images may not be animated (i.e., move or present the appearance of motion) and may not use flashing, scintillating, blinking, or traveling lights or any other means not providing constant illumination.
  - ii. Digital displays must use either an instant transition between still images or a fading transition with a transition time between still images of not less than 1 second and not more than 2 seconds. A digital display must not go blank during a transition.
  - iii. The maximum pixel pitch of a digital display is 16 mm.
  - iv. Digital displays must be equipped with a sensor or other device that automatically adjusts the brightness of the display according to changes in ambient lighting to comply with a brightness limitation of 0.3 foot-candles above ambient lighting. Digital displays must transition smoothly at a consistent rate from the allowed daytime brightness to the allowed nighttime brightness levels, beginning at 45 minutes before sunset and ending 45 minutes after sunset. An automatic photometric sensor must be provided for automatic dimming.
  - v. Upon the request of the chief building official or his or her designee, the display owner, at the owner's expense, shall have a city-approved testing agency measure the brightness of a digital display as follows:

Step One. Measure the display's brightness at night and during the day by focusing on the direct center of the display

from a point that is 6 feet above grade and 20 feet away from the plane of the display (determined by a line that is within 6 degrees of a line perpendicular to the plane of the display). If brightness so measured exceeds 450 candelas per square meter during the night or 7,500 candelas per square meter during the day, then the display’s illumination must be adjusted so that it does not exceed 450 or 7,500 candelas, as applicable.

Step Two. Determine the “measurement distance” using the following formula (the “display area” in the radicand is the area of the display in square feet):

$$\text{Measurement Distance (in feet)} = \sqrt{\text{Display Area} \times 100}$$

Step Three. Use the following formulas to calculate the display’s maximum allowed brightness at night and during the day:

Nighttime Maximum Brightness
$B_n = 180,000 \div D^2$

$B_n$  = the maximum brightness allowed at night  
 $D$  = the measurement distance calculated in Step Two

Daytime Maximum Brightness
$B_d = 3,000,000 \div D^2$

$B_d$  = the maximum brightness allowed during the day  
 $D$  = the measurement distance calculated in Step Two

Step Four. Measure the display’s brightness at night and during the day by focusing on the direct center of the display from a point that is 6 feet above grade and  $D$  feet away (i.e., the measurement distance calculated in Step Two) from the plane of the display as determined by a line that is within 6 degrees of a line perpendicular to the plane of the display. If a brightness so measured exceeds the applicable maximum brightness calculated in Step Three, then the display’s illumination must be adjusted so that it does not exceed that maximum brightness.

- f. The hours of operation for digital displays are from dawn to 10:00 p.m. on Sunday, Monday, Tuesday, Wednesday, and Thursday and from dawn to midnight on Friday and Saturday.
- g. Based on new or updated information or studies, the city council may amend the standards and other provisions in this section to mitigate effects on the visual environment or on residential properties or other sensitive receptors; to reduce driver distractions or other hazards to traffic; or to otherwise protect and promote the public health, safety, and welfare. The city council may apply the amended standards to existing signs and digital displays.
- h. Digital displays are subject to approval by the director. As part of this process, the director shall consult with the chief building official on the design and operational elements of any digital display. When deciding whether to approve the drawings, the director (i) shall consider all of the factors relating to the proposed digital display and, based on the evidence submitted, make the findings set forth in subsections E.1 through E.8 of section 15.148.1110 that apply to the digital display; and (ii) shall not consider the content or graphic design of messages other than to determine legality under federal or state law. A permit issued for a digital display under this subsection B.1.h expires 10 years after the date of issuance, and upon expiration of the permit the digital display must be removed unless a new permit has been obtained for the continued use of the digital display.

## 2. Aerial-view signs

- a. One permanent aerial-view sign is allowed for the primary user. No aerial-view signs are allowed for the secondary user.
- b. An aerial-view sign may not project beyond the roof or parapet edge.
- c. A maximum of 30% of roof surface area is allowed for signage.
- d. Light fixtures may not be mounted above, or extend above, roof-mounted structures or the parapet. The source of the light must not be visible from adjacent properties or from a public street or public sidewalk, and the sign lighting must not produce a glare on adjacent properties or on public streets or public sidewalks. An aerial-view sign may transition between colors with a transition time of not less than 1 second and with each color displayed for at least 8 seconds, but it must not go blank during a transition and may not use flashing, scintillating, blinking, or traveling lights or

any other means not providing constant illumination. The hours of operation for illumination of aerial-view signs are from dawn to 10:00 p.m. on Sunday, Monday, Tuesday, Wednesday, and Thursday and from dawn to midnight on Friday and Saturday.

3. Attached signs

- a. Four attached flat signs are allowed for the primary user. One attached flat sign is allowed for the secondary user. The face of an attached sign must be within 10 degrees of parallel to the face of the large entertainment venue to which it is attached. Individual attached signs may not be combined to create the effect of a single large attached sign.
- b. The maximum area of each attached sign is 45 square feet.
- c. The maximum vertical dimension of each attached sign is 3 feet.

4. Projecting signs

- a. Two projecting signs are allowed for the primary user. One projecting sign is allowed for the secondary user. A projecting sign must be attached to the primary structure of the large entertainment venue and not attached to a cantilevered structure. Projecting signs must be at least 150 feet apart (measured horizontally from the points of attachment to the large entertainment venue).
- b. The area of each projecting sign for the primary user must not exceed 200 square feet. The area of the projecting sign for the secondary user must not exceed 45 square feet.
- c. The maximum vertical dimension of each projecting sign is 35 feet.
- d. The maximum width of each projecting sign for the primary user is 6 feet. The maximum width of the projecting sign for the secondary user is 3 feet.
- e. The minimum height of each projecting sign is 10 feet, measured from the bottom of the sign to the sidewalk or ground.

5. Suspended signs

- a. The primary user is allowed three suspended signs. The secondary user is allowed one suspended sign.
- b. The maximum area of each suspended sign is 16 square feet.

- c. The maximum vertical dimension of each suspended sign is 4 feet.
    - d. The minimum height of each suspended sign is 8 feet, measured from the bottom of the sign to the sidewalk or ground.
  - 6. Each sign or digital display must be integral in design to the architectural style of the large entertainment venue to which it is attached. The secondary user's signs must be consistent in materials and design with the primary user's signs.
- C. Large entertainment venues with more than 10,000 fixed permanent seats are allowed the following signage:
  - 1. Large digital displays
    - a. A digital display must be a permanently attached sign.
    - b. Two digital displays are allowed for the primary user. No digital displays are allowed for secondary users.
    - c. Digital displays must be at least 150 feet apart (measured using the closest edges of the two digital displays) when on the same façade or street frontage.
    - c. The maximum display area is 700 square feet.
    - d. General advertising for hire is allowed.
    - e. Digital displays must meet the following criteria:
      - i. The images on a digital display may be animated (i.e., move or present the appearance of motion) and may use flashing, scintillating, blinking, or traveling lights or any other similar means of providing illumination.
      - ii. If a digital display shows a series of still images, then each image must be displayed for at least 8 seconds. Digital displays must use either an instant transition between still images or a fading transition with a transition time between still images of not less than 1 second and not more than 2 seconds. A digital display must not go blank during a transition.
      - iii. The maximum pixel pitch of a digital display is 16 mm.
      - iv. Digital displays must be equipped with a sensor or other device that automatically adjusts the brightness of the

display according to changes in ambient lighting to comply with a brightness limitation of 0.3 foot-candles above ambient lighting. Digital displays must transition smoothly at a consistent rate from the allowed daytime brightness to the allowed nighttime brightness levels, beginning at 45 minutes before sunset and ending 45 minutes after sunset. An automatic photometric sensor must be provided for automatic dimming.

- v. The maximum brightness of any digital display is 450 candelas per square meter during the night and 7,500 candelas per square meter during the day. The brightness of a digital display must be measured as follows, at the display owner's expense, by a testing agency approved by the chief building official or his or her designee:

Step One. Measure the display's brightness at night and during the day by focusing on the direct center of the display from a point that is 6 feet above grade and 20 feet away from the plane of the display (determined by a line that is within 6 degrees of a line perpendicular to the plane of the display).

Step Two. Use the following formula to determine the "measurement distance" (the "display area" in the radicand is the area of the display in square feet):

$$\text{Measurement Distance (in feet)} = \sqrt{\text{Display Area} \times 100}$$

Step Three. Use the following formulas to calculate the display's equivalent maximum brightness during the day and at night:

Equivalent Maximum Nighttime Brightness
$B_n = 180,000 \div D^2$

$B_n$  = the equivalent maximum nighttime brightness  
 $D$  = the measurement distance calculated in Step Two

Equivalent Maximum Daytime Brightness
$B_d = 3,000,000 \div D^2$

$B_d$  = the equivalent maximum daytime brightness  
 $D$  = the measurement distance calculated in Step Two

Step Four. Measure the display's brightness at night and during the day by focusing on the direct center of the display from a point that is 6 feet above grade and D feet away (i.e., the measurement distance calculated in Step Two) from the plane of the display as determined by a line that is within 6 degrees of a line perpendicular to the plane of the display. If a brightness so measured exceeds the relevant equivalent maximum brightness calculated in Step Three, then the display's illumination must be adjusted so that it does not exceed that equivalent maximum brightness.

- f. The hours of operation for digital displays are from dawn to midnight on Sunday, Monday, Tuesday, Wednesday, and Thursday and from dawn to 2:00 a.m. the following day on Friday and Saturday.
- g. Based on new or updated information or studies, the city council may amend the standards and other provisions set forth in this section in order to mitigate effects on the visual environment or on residential properties or other sensitive receptors; to reduce driver distractions or other hazards to traffic; or to otherwise protect and promote the public health, safety, and welfare. The city council may apply the amended standards to existing signs and digital displays.
- h. Digital displays are subject to approval by the director. As part of this process, the director shall consult with the chief building official on the design and operational elements of any digital display. When deciding whether to approve the drawings, the director (i) shall consider all of the factors relating to the proposed digital display and, based on the evidence submitted, make the findings set forth in subsections E.1 through E.8 of section 15.148.1110 that apply to the digital display; and (ii) shall not consider the content or graphic design of messages other than to determine legality under federal or state law. A permit issued for a digital display under this subsection C.1.h expires 10 years after the date of issuance, and upon expiration of the permit the digital display must be removed unless a new sign permit has been obtained for the continued use of the digital display.

## 2. Aerial-view signs

- a. One permanent aerial-view sign is allowed for the primary user. No aerial-view signs are allowed for the secondary user.
- b. An aerial-view sign may not project beyond the roof or parapet edge.



- c. A maximum of 30% of roof surface area is allowed for signage.
  - d. Light fixtures may not be mounted more than 5 feet above, or extend more than 5 feet above, roof-mounted structures or the parapet. The sign lighting must not produce a glare on public streets or public sidewalks. An aerial-view sign may transition between colors with a transition time of not less than 1 second and with each color displayed for at least 8 seconds, but it must not go blank during a transition and may not use flashing, scintillating, blinking, or traveling lights or any other means not providing constant illumination.
3. Attached signs
- a. Nine attached flat signs are allowed for the primary user. One attached flat sign is allowed for the secondary user. The face of an attached sign must be within 10 degrees of parallel to the face of the large entertainment venue. Individual attached signs may not be combined to create the effect of a single large attached sign.
  - b. The maximum area of each sign is 45 square feet.
  - c. The maximum vertical dimension of each sign is 3 feet.
4. Projecting signs
- a. Three projecting signs are allowed for the primary user. One projecting sign is allowed for the secondary user. A projecting sign must be attached to the primary structure of the large entertainment venue and not attached to a cantilevered structure. Projecting signs must be at least 300 feet apart (measured horizontally from the points of attachment to the large entertainment venue).
  - b. The area of each projecting sign for the primary user must not exceed 400 square feet. The area of the projecting sign for the secondary user must not exceed 60 square feet.
  - c. The maximum vertical dimension of each projecting sign is 55 feet.
  - d. The maximum width of each projecting sign for the primary user is 8 feet. The maximum width of the projecting sign for the secondary user is 4 feet.
  - e. The minimum height for each projecting sign is 10 feet, measured from the bottom of the sign to the sidewalk or ground.

5. Suspended signs
  - a. The primary user is allowed five suspended signs. The secondary user is allowed one suspended sign.
  - b. The maximum area of each suspended sign is 16 square feet.
  - c. The maximum vertical dimension of each suspended sign is 4 feet.
  - d. The minimum height of each suspended sign is 8 feet, measured from the bottom of the sign to the sidewalk or ground.
6. Each sign or digital display must be integral in design to the architectural style of the large entertainment venue to which it is attached. The secondary user's signs must be consistent in materials and design with the primary user's signs.

# ORDINANCE NO. 2016-XXX

Adopted by the Sacramento City Council  
April 14, 2016

## AN ORDINANCE ADDING SECTION 15.148.920 TO THE SACRAMENTO CITY CODE, RELATING TO SIGNS FOR LARGE ENTERTAINMENT VENUES

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

### SECTION 1.

Section 15.148.920 is added to the Sacramento City Code to read as follows:

#### **15.148.920 Signs for large entertainment venues.**

A. The following definitions apply in this section:

“Aerial-view sign” means a sign that meets both of the following criteria: it is on the roof of a building or structure, approximately parallel with the roof plane; and it is intended to be viewed from overhead.

“Digital display” means a sign face, building face, or any building or structural component that displays images through the use of grid lights, cathode-ray projections, light-emitting diodes (LEDs), plasma screens, liquid-crystal displays (LCDs), fiber optics, or other electronic media or functionally equivalent technology.

“Director” means the design director (defined in section 17.108.050) or the preservation director (defined in section 17.108.170), as appropriate.

“Large entertainment venue” means a permanent building or structure that is used primarily for entertainment (including sporting events and cultural events); is the primary use of the site; and has at least 2,000 fixed permanent seats within a single auditorium, arena, or stadium.

“Primary user” means the person who has the right to use the largest portion of a large entertainment venue, measured in square feet of floor area.

“Secondary user” means the person who has the right to use the second largest portion of a large entertainment venue, measured in square feet of floor area.

“Suspended sign” means a double-face sign that hangs from a bracket or support attached underneath a building projection, eave, canopy, awning, or colonnade.

B. Large entertainment venues with 2,000 to 10,000 fixed permanent seats are allowed the following signage:

1. Digital displays

- a. A digital display must be a permanently attached sign.
- b. One digital display is allowed for the primary user. No digital signs are allowed for the secondary user.
- c. The maximum display area is 150 square feet.
- d. General advertising for hire is allowed.
- e. Digital displays must meet the following criteria:
  - i. A digital display may show only a series of still images, each displayed for at least 8 seconds. The still images may not be animated (i.e., move or present the appearance of motion) and may not use flashing, scintillating, blinking, or traveling lights or any other means not providing constant illumination.
  - ii. Digital displays must use either an instant transition between still images or a fading transition with a transition time between still images of not less than 1 second and not more than 2 seconds. A digital display must not go blank during a transition.
  - iii. The maximum pixel pitch of a digital display is 16 mm.
  - iv. Digital displays must be equipped with a sensor or other device that automatically adjusts the brightness of the display according to changes in ambient lighting to comply with a brightness limitation of 0.3 foot-candles above ambient lighting. Digital displays must transition smoothly at a consistent rate from the allowed daytime brightness to the allowed nighttime brightness levels, beginning at 45 minutes before sunset and ending 45 minutes after sunset. An automatic photometric sensor must be provided for automatic dimming.
  - v. Upon the request of the chief building official or his or her designee, the display owner, at the owner's expense, shall have a city-approved testing agency measure the brightness of a digital display as follows:

Step One. Measure the display's brightness at night and during the day by focusing on the direct center of the display

from a point that is 6 feet above grade and 20 feet away from the plane of the display (determined by a line that is within 6 degrees of a line perpendicular to the plane of the display). If brightness so measured exceeds 450 candelas per square meter during the night or 7,500 candelas per square meter during the day, then the display’s illumination must be adjusted so that it does not exceed 450 or 7,500 candelas, as applicable.

Step Two. Determine the “measurement distance” using the following formula (the “display area” in the radicand is the area of the display in square feet):

$$\text{Measurement Distance (in feet)} = \sqrt{\text{Display Area} \times 100}$$

Step Three. Use the following formulas to calculate the display’s maximum allowed brightness at night and during the day:

Nighttime Maximum Brightness
$B_n = 180,000 \div D^2$

$B_n$  = the maximum brightness allowed at night  
 $D$  = the measurement distance calculated in Step Two

Daytime Maximum Brightness
$B_d = 3,000,000 \div D^2$

$B_d$  = the maximum brightness allowed during the day  
 $D$  = the measurement distance calculated in Step Two

Step Four. Measure the display’s brightness at night and during the day by focusing on the direct center of the display from a point that is 6 feet above grade and  $D$  feet away (i.e., the measurement distance calculated in Step Two) from the plane of the display as determined by a line that is within 6 degrees of a line perpendicular to the plane of the display. If a brightness so measured exceeds the applicable maximum brightness calculated in Step Three, then the display’s illumination must be adjusted so that it does not exceed that maximum brightness.

- f. The hours of operation for digital displays are from dawn to 10:00 p.m. on Sunday, Monday, Tuesday, Wednesday, and Thursday and from dawn to midnight on Friday and Saturday.
- g. Based on new or updated information or studies, the city council may amend the standards and other provisions in this section to mitigate effects on the visual environment or on residential properties or other sensitive receptors; to reduce driver distractions or other hazards to traffic; or to otherwise protect and promote the public health, safety, and welfare. The city council may apply the amended standards to existing signs and digital displays.
- h. Digital displays are subject to approval by the ~~design~~-director ~~(defined in section 17.108.050)~~. As part of this process, the ~~design~~-director shall consult with the chief building official on the design and operational elements of any digital display. When deciding whether to approve the drawings, the ~~design~~-director (i) shall consider all of the factors relating to the proposed digital display and, based on the evidence submitted, make the findings set forth in subsections E.1 through E.8 of section 15.148.1110 that apply to the digital display; and (ii) shall not consider the content or graphic design of messages other than to determine legality under federal or state law. A permit issued for a digital display under this subsection B.1.h expires 10 years after the date of issuance, and upon expiration of the permit the digital display must be removed unless a new permit has been obtained for the continued use of the digital display.

## 2. Aerial-view signs

- a. One permanent aerial-view sign is allowed for the primary user. No aerial-view signs are allowed for the secondary user.
- b. An aerial-view sign may not project beyond the roof or parapet edge.
- c. A maximum of 30% of roof surface area is allowed for signage.
- d. Light fixtures may not be mounted above, or extend above, roof-mounted structures or the parapet. The source of the light must not be visible from adjacent properties or from a public street or public sidewalk, and the sign lighting must not produce a glare on adjacent properties or on public streets or public sidewalks. An aerial-view sign may transition between colors with a transition time of not less than 1 second and with each color displayed for at least 8 seconds, but it must not go blank during a transition and

may not use flashing, scintillating, blinking, or traveling lights or any other means not providing constant illumination. The hours of operation for illumination of aerial-view signs are from dawn to 10:00 p.m. on Sunday, Monday, Tuesday, Wednesday, and Thursday and from dawn to midnight on Friday and Saturday.

3. Attached signs

- a. Four attached flat signs are allowed for the primary user. One attached flat sign is allowed for the secondary user. The face of an attached sign must be within 10 degrees of parallel to the face of the large entertainment venue to which it is attached. Individual attached signs may not be combined to create the effect of a single large attached sign.
- b. The maximum area of each attached sign is 45 square feet.
- c. The maximum vertical dimension of each attached sign is 3 feet.

4. Projecting signs

- a. Two projecting signs are allowed for the primary user. One projecting sign is allowed for the secondary user. A projecting sign must be attached to the primary structure of the large entertainment venue and not attached to a cantilevered structure. Projecting signs must be at least 150 feet apart (measured horizontally from the points of attachment to the large entertainment venue).
- b. The area of each projecting sign for the primary user must not exceed 200 square feet. The area of the projecting sign for the secondary user must not exceed 45 square feet.
- c. The maximum vertical dimension of each projecting sign is 35 feet.
- d. The maximum width of each projecting sign for the primary user is 6 feet. The maximum width of the projecting sign for the secondary user is 3 feet.
- e. The minimum height of each projecting sign is 10 feet, measured from the bottom of the sign to the sidewalk or ground.

5. Suspended signs
    - a. The primary user is allowed three suspended signs. The secondary user is allowed one suspended sign.
    - b. The maximum area of each suspended sign is 16 square feet.
    - c. The maximum vertical dimension of each suspended sign is 4 feet.
    - d. The minimum height of each suspended sign is 8 feet, measured from the bottom of the sign to the sidewalk or ground.
  6. Each sign or digital display must be integral in design to the architectural style of the large entertainment venue to which it is attached. The secondary user's signs must be consistent in materials and design with the primary user's signs.
- C. Large entertainment venues with more than 10,000 fixed permanent seats are allowed the following signage:
1. Large digital displays
    - a. A digital display must be a permanently attached sign.
    - b. Two digital displays are allowed for the primary user. No digital displays are allowed for secondary users.
    - c. Digital displays must be at least 150 feet apart (measured using the closest edges of the two digital displays) when on the same façade or street frontage.
    - c. The maximum display area is 700 square feet.
    - d. General advertising for hire is allowed.
    - e. Digital displays must meet the following criteria:
      - i. The images on a digital display may be animated (i.e., move or present the appearance of motion) and may use flashing, scintillating, blinking, or traveling lights or any other similar means of providing illumination.
      - ii. If a digital display shows a series of still images, then each image must be displayed for at least 8 seconds. Digital displays must use either an instant transition between still images or a fading transition with a transition time between still images of not less than 1 second and not more than 2



seconds. A digital display must not go blank during a transition.

- iii. The maximum pixel pitch of a digital display is 16 mm.
- iv. Digital displays must be equipped with a sensor or other device that automatically adjusts the brightness of the display according to changes in ambient lighting to comply with a brightness limitation of 0.3 foot-candles above ambient lighting. Digital displays must transition smoothly at a consistent rate from the allowed daytime brightness to the allowed nighttime brightness levels, beginning at 45 minutes before sunset and ending 45 minutes after sunset. An automatic photometric sensor must be provided for automatic dimming.
- v. The maximum brightness of any digital display is 450 candelas per square meter during the night and 7,500 candelas per square meter during the day. The brightness of a digital display must be measured as follows, at the display owner's expense, by a testing agency approved by the chief building official or his or her designee:

Step One. Measure the display's brightness at night and during the day by focusing on the direct center of the display from a point that is 6 feet above grade and 20 feet away from the plane of the display (determined by a line that is within 6 degrees of a line perpendicular to the plane of the display).

Step Two. Use the following formula to determine the "measurement distance" (the "display area" in the radicand is the area of the display in square feet):

$$\text{Measurement Distance (in feet)} = \sqrt{\text{Display Area} \times 100}$$

Step Three. Use the following formulas to calculate the display's equivalent maximum brightness during the day and at night:

Equivalent Maximum Nighttime Brightness
$B_n = 180,000 \div D^2$

$B_n$  = the equivalent maximum nighttime brightness

$D$  = the measurement distance calculated in Step Two

Equivalent Maximum Daytime Brightness
$B_d = 3,000,000 \div D^2$

$B_d$  = the equivalent maximum daytime brightness

$D$  = the measurement distance calculated in Step Two

Step Four. Measure the display's brightness at night and during the day by focusing on the direct center of the display from a point that is 6 feet above grade and  $D$  feet away (i.e., the measurement distance calculated in Step Two) from the plane of the display as determined by a line that is within 6 degrees of a line perpendicular to the plane of the display. If a brightness so measured exceeds the relevant equivalent maximum brightness calculated in Step Three, then the display's illumination must be adjusted so that it does not exceed that equivalent maximum brightness.

- f. The hours of operation for digital displays are from dawn to midnight on Sunday, Monday, Tuesday, Wednesday, and Thursday and from dawn to 2:00 a.m. the following day on Friday and Saturday.
- g. Based on new or updated information or studies, the city council may amend the standards and other provisions set forth in this section in order to mitigate effects on the visual environment or on residential properties or other sensitive receptors; to reduce driver distractions or other hazards to traffic; or to otherwise protect and promote the public health, safety, and welfare. The city council may apply the amended standards to existing signs and digital displays.
- h. Digital displays are subject to approval by the ~~design~~-director (~~defined in section 17.108.050~~). As part of this process, the director shall consult with the chief building official on the design and operational elements of any digital display. When deciding whether to approve the drawings, the ~~design~~-director (i) shall consider all of the factors relating to the proposed digital display and, based on the evidence submitted, make the findings set forth in subsections E.1 through E.8 of section 15.148.1110 that apply to the digital display; and (ii) shall not consider the content or graphic design of messages other than to determine legality under federal or state law. A permit issued for a digital display under this subsection C.1.h expires 10 years after the date of issuance, and upon expiration of the permit the digital display must be removed unless a new sign permit has been obtained for the continued use of the digital display.

## 2. Aerial-view signs

- a. One permanent aerial-view sign is allowed for the primary user. No aerial-view signs are allowed for the secondary user.
- b. An aerial-view sign may not project beyond the roof or parapet edge.
- c. A maximum of 30% of roof surface area is allowed for signage.
- d. Light fixtures may not be mounted more than 5 feet above, or extend more than 5 feet above, roof-mounted structures or the parapet. The sign lighting must not produce a glare on public streets or public sidewalks. An aerial-view sign may transition between colors with a transition time of not less than 1 second and with each color displayed for at least 8 seconds, but it must not go blank during a transition and may not use flashing, scintillating, blinking, or traveling lights or any other means not providing constant illumination.

## 3. Attached signs

- a. Nine attached flat signs are allowed for the primary user. One attached flat sign is allowed for the secondary user. The face of an attached sign must be within 10 degrees of parallel to the face of the large entertainment venue. Individual attached signs may not be combined to create the effect of a single large attached sign.
- b. The maximum area of each sign is 45 square feet.
- c. The maximum vertical dimension of each sign is 3 feet.

## 4. Projecting signs

- a. Three projecting signs are allowed for the primary user. One projecting sign is allowed for the secondary user. A projecting sign must be attached to the primary structure of the large entertainment venue and not attached to a cantilevered structure. Projecting signs must be at least 300 feet apart (measured horizontally from the points of attachment to the large entertainment venue).
- b. The area of each projecting sign for the primary user must not exceed 400 square feet. The area of the projecting sign for the secondary user must not exceed 60 square feet.

- c. The maximum vertical dimension of each projecting sign is 55 feet.
  - d. The maximum width of each projecting sign for the primary user is 8 feet. The maximum width of the projecting sign for the secondary user is 4 feet.
  - e. The minimum height for each projecting sign is 10 feet, measured from the bottom of the sign to the sidewalk or ground.
5. Suspended signs
- a. The primary user is allowed five suspended signs. The secondary user is allowed one suspended sign.
  - b. The maximum area of each suspended sign is 16 square feet.
  - c. The maximum vertical dimension of each suspended sign is 4 feet.
  - d. The minimum height of each suspended sign is 8 feet, measured from the bottom of the sign to the sidewalk or ground.
6. Each sign or digital display must be integral in design to the architectural style of the large entertainment venue to which it is attached. The secondary user's signs must be consistent in materials and design with the primary user's signs.