# CONCURRENT MEETING
# CITY COUNCIL/CRA/RCFC

April 6, 2009

5:30 p.m. – Regular Meeting

## AGENDA

CITY OF RANCHO CORDOVA
CALIFORNIA
*Incorporated 2003*

Dan Skoglund, Mayor

Ken Cooley, Vice Mayor

Robert J. McGarvey, Council Member

David Sander, Council Member

Linda Budge, Council Member

# 2009

NOTE: PROPOSED REGULAR CITY COUNCIL MEETING DATES ARE SCHEDULED ON THE 1ST AND 3RD MONDAY'S OF EACH MONTH, UNLESS WHEN FALLING ON A HOLIDAY, THE MEETING WILL BE SCHEDULED ON THE FOLLOWING TUESDAY (THESE DATES ARE SHADED GREY AND ARE SUBJECT TO CHANGE). REFER TO HOLIDAY SCHEDULES BELOW.

**JANUARY**

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**FEBRUARY**

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**MARCH**

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**JUNE**

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**NOVEMBER**

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**2009 PROPOSED HOLIDAY SCHEDULE – CITY HALL CLOSED (SHOWN ITALICIZED)**

NEW YEAR'S DAY (THURS, JAN 1)
MARTIN LUTHER KING JR. DAY (MON, JAN 19)
PRESIDENT'S DAY (MON, FEB 16)
MEMORIAL DAY (MON, MAY 25)
INDEPENDENCE DAY (FRI, JUL 3 [OBSERVED?])
LABOR DAY (MON, SEP 7)
VETERAN'S DAY (WED, NOV 11)
THANKSGIVING DAY (THUR, NOV 26)
DAY AFTER THANKSGIVING (FRI, NOV 27)
CHRISTMAS EVE (THURS, DEC 24)
CHRISTMAS DAY (FRI, DEC 25)

# 2010

**JANUARY**

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**FEBRUARY**

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**JUNE**

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MARTIN LUTHER KING JR. DAY (MON, JAN 18)
PRESIDENT'S DAY (MON, FEB 15)
MEMORIAL DAY (MON, MAY 31)
INDEPENDENCE DAY (SUN, JUL 4)
LABOR DAY (MON, SEP 6)
VETERAN'S DAY (THUR, NOV 11)
THANKSGIVING DAY (THUR, NOV 25)
DAY AFTER THANKSGIVING (FRI, NOV 26)
CHRISTMAS EVE (FRI, DEC 24)
CHRISTMAS DAY (SAT, DEC 25)

# 2011

**JANUARY**

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**OCTOBER**

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**DECEMBER**

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DAY AFTER THANKSGIVING (FRI, NOV 25)
CHRISTMAS EVE (SAT, DEC 24)
CHRISTMAS DAY (SUN, DEC 25)

# CONCURRENT MEETING
# CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY (CRA)/ RANCHO CORDOVA FINANCING CORPORATION (RCFC)

**City Hall**
**2729 Prospect Park Drive, Rancho Cordova**

**Monday, April 6, 2009**

**5:30 P.M. – Regular Meeting**
**David B. Roberts Council Chambers**

# AGENDA

## 1. REGULAR MEETING – CALL TO ORDER / ROLL CALL

Council Members Budge, Sander, McGarvey, Cooley, and Mayor Skoglund

## 2. METRO CABLE TV TELEVISION ANNOUNCEMENT

The Mayor will announce the meetings video recording and playback schedules.

## 3. PLEDGE OF ALLEGIANCE

The Mayor will call on someone in attendance to lead the Pledge.

## 4. INVOCATION

Fred Hammer, First Covenant Church, will give the invocation.

## 5. PRESENTATIONS

5.1 Presentation by Executive Director Barbara Lehman on Fair Housing Month.

5.2 Presentation by Bob Arellanes on Sister City Council Annual Report.

5.3 Presentation Regarding Recent Trip to Our Sister City, Turrialba, Costa Rica.

## 6. PUBLIC COMMENT

Citizens wishing to address the Council for any matter on the Consent Calendar or not on the agenda may do so at this time by completing and submitting a (blue) Speaker Card to the City Clerk. **For items on the agenda, speakers will be called up to the podium by the Mayor at the point on the agenda when the item will be heard.** Speakers are encouraged to keep comments to three minutes or less and to state name and community of residence.

Note, under the provisions of the California Government Code, the City Council is prohibited from discussing or taking immediate action on any unagendized item unless it can be demonstrated to be of an emergency nature or the need to take immediate action arose after the posting of the agenda.

## 7. COUNCIL REPORTS

## 8. CONSENT CALENDAR ITEMS – ROLL CALL VOTE

8.1 **Subject:** Minutes:
a) March 2, 2009 Special and Regular Meeting;
b) March 5, 2009 Special Meeting; and
c) March 24, 2009 Special Meeting
**Recommendation:** Adopt Minutes.

8.2 **Subject:** Approval of Parcel Map Titled Parcel Map for Alcides A. Gonzalez; Subdivision No. RC-08-349
**Recommendation**: Submitted herewith for approval is the parcel map titled Parcel Map for Alcides A. Gonzalez; Subdivision No. RC-08-349; located northeasterly corner of Coloma Road and McGregor Drive.
**Result of Recommended Action:** Approval of this recommended action will result in the recording of the final parcel map creating two new parcels.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.3 **Subject:** Resolution Approving Annexation of Target Store Project to the City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance)
**Recommendation**: Adopt Resolution No. 20-2009.
**Result of Recommended Action:** Adoption of this resolution will:
a) Declare the results of the special mailed-ballot election for the Target Store Project Annexation to Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance);
b) Orders the annexation;
c) Authorizes the special tax levy on that project; and
d) Directs the recording of the Amended Notice of Special Tax Lien
There is no financial impact to existing residents.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.4 **Subject:** Resolution Approving the Substitution of Developer for the Subdivision Improvement Agreement Related to Subdivision No. RC-03-002.0 Large Lot Map of North Douglas and Authorizing the Mayor to Execute the Agreement
**Recommendation:** Adopt Resolution No. 21-2009.
**Result of Recommended Action:** Approval of this recommended action will result in the City Council approving the substitution of the Subdivision Improvement Agreement for Subdivision No. RC-03-002.0 Large Lot Map of North Douglas executed by MS Rialto Residential Holdings, LLC; guaranteeing the completion of the public improvements, labor and materials, and warranty.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.5 **Subject:** Resolution Approving the Substitution of Developer for The Subdivision Improvement Agreement Related To Subdivision No. RC-03-002.1 North Douglas Village 1 and Authorizing the Mayor to Execute the Agreement
**Recommendation:** Adopt Resolution No. 22-2009.
**Result of Recommended Action:** Approval of this recommended action will result in the City Council approving the substitution of the Subdivision Improvement Agreement for Subdivision No. RC-03-002.1 North Douglas Village 1 executed by MS Rialto Residential Holdings, LLC; guaranteeing the completion of the public improvements, labor and materials, and warranty.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.6 **Subject:** Resolution Approving the Substitution of Subdivision Improvement Agreement for Subdivision No. RC-03-002.2 Map of North Douglas Village 2
**Recommendation:** Adopt Resolution No. 23-2009.
**Result of Recommended Action:** Approval of this recommended action will result in the City Council approving the substitution of the Subdivision Improvement Agreement for Subdivision No. RC-03-002.2 Map of North Douglas Village 2 executed by MS Rialto Residential Holdings, LLC; guaranteeing the completion of the public improvements, labor and materials, and warranty.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.7 **Subject:** Resolution Approving the Substitution of Subdivision Improvement Agreement for Subdivision No. RC-03-002.3 Map of North Douglas Village 3
**Recommendation:** Adopt Resolution No. 24-2009.
**Result of Recommended Action:** Approval of this recommended action will result in the City Council approving the substitution of the Subdivision Improvement Agreement for Subdivision No. RC-03-002.3 Map of North Douglas Village 3 executed by MS Rialto Residential Holdings, LLC; guaranteeing the completion of the public improvements, labor and materials, and warranty.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.8 **Subject:** Resolution Approving the Substitution of Subdivision Improvement Agreement for Subdivision No. RC-03-002.4 Map of North Douglas Village 4
**Recommendation:** Adopt Resolution No. 25-2009.
**Result of Recommended Action:** Approval of this recommended action will result in the City Council approving the substitution of the Subdivision Improvement Agreement for Subdivision No. RC-03-002.4 Map of North Douglas Village 4 executed by MS Rialto Residential Holdings, LLC; guaranteeing the completion of the public improvements, labor and materials, and warranty.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.9 **Subject:** Resolution Approving the Substitution of Subdivision Improvement Agreement for Subdivision No. RC-03-002.5 Map of North Douglas Village 5
**Recommendation:** Adopt Resolution No. 26-2009.
**Result of Recommended Action:** Approval of this recommended action will result in the City Council approving the substitution of the Subdivision Improvement Agreement for Subdivision No. RC-03-002.5 Map of North Douglas Village 5 executed by MS Rialto Residential Holdings, LLC; guaranteeing the completion of the public improvements, labor and materials, and warranty.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.10 **Subject:** Resolution Approving the Substitution of Subdivision Improvement Agreement for Subdivision No. RC-03-002.6 Map of North Douglas Village 6
**Recommendation:** Adopt Resolution No. 27-2009.
**Result of Recommended Action:** Approval of this recommended action will result in the City Council approving the substitution of the Subdivision Improvement Agreement for Subdivision No. RC-03-002.6 Map of North Douglas Village 6 executed by MS Rialto Residential Holdings, LLC; guaranteeing the completion of the public improvements, labor and materials, and warranty.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.11 **Subject:** Resolution Approving the Substitution of Subdivision Improvement Agreement for Subdivision No. RC-03-002.7 Map of North Douglas Village 7
**Recommendation:** Adopt Resolution No. 28-2009.
**Result of Recommended Action:** Approval of this recommended action will result in the City Council approving the substitution of the Subdivision Improvement Agreement for Subdivision No. RC-03-002.7 Map of North Douglas Village 7 executed by MS Rialto Residential Holdings, LLC; guaranteeing the completion of the public improvements, labor and materials, and warranty.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.12 **Subject:** Resolution Approving the Substitution of Subdivision Improvement Agreement for Subdivision No. RC-03-002.8 Map of North Douglas Village 8
**Recommendation:** Adopt Resolution No. 29-2009.
**Result of Recommended Action:** Approval of this recommended action will result in the City Council approving the substitution of the Subdivision Improvement Agreement for Subdivision No. RC-03-002.8 Map of North Douglas Village 8 executed by MS Rialto Residential Holdings, LLC; guaranteeing the completion of the public improvements, labor and materials, and warranty.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.13 **Subject:** Resolution Authorizing the City Manager to Execute Contract No. 20-2009 Third Amendment with Bureau Veritas North America, Inc. in the Amount of $220,000.00
**Recommendation:** Adopt Resolution No. 31-2009.
**Result of Recommended Action:** Adoption of this resolution will authorize the City Manager to execute the third amendment contract with Bureau Veritas North America, Inc. to continue providing on-call building plan review and inspection services for the Building and Safety Department. The amendment will increase the total contract amount from $200,000 to $420,000 and extend the term of service to June 30, 2010.
**Staff Report:** Cyrus Abhar, Building and Safety Department
**Advances Goals:** 1, 6, 7, 8, and 10

8.14 **Subject:** Resolution Authorizing the City Manager to Execute Contract No. 35-2009 with Eskel Porter Consulting, Inc. in the Amount of $60,000.00
**Recommendation**: Adopt Resolution No. 34-2009.
**Result of Recommended Action:** Adoption of this resolution will authorize the City Manager to execute a contract with Eskel Porter Consulting, Inc. This contract will allow for continued support services for the Finance Department's Microsoft Great Plains financial and payroll system, including project accounting assistance, integration of payroll processes with Automatic Data Processing, Inc. (ADP), and implementation of electronic timesheets. The previous two contracts (Contract No. 74-2006 and Contract No. 134-2007) with Eskel Porter Consulting, Inc. equaled $164,647.00. The new contract is for an amount not to exceed $60,000.00 and will expire on June 30, 2011.
**Staff Report:** Jay Hadley, Information Technology Department
**Advances Goals:** 3 and 11

8.15 **Subject:** Resolution Authorizing the City Manager to Execute Contract No. 45-2008 Change Order No. 2 with Granite Construction Company for Construction of the 2007/2008 Paving Rehabilitation Project Phase 1 in the Amount of $51,899.10
**Recommendation:** Adopt Resolution No. 35-2009.
**Result of Recommended Action:** Adoption of this resolution will authorize the City Manager to execute contract Change Order No. 2 with Granite Construction Company to increase the current contract amount from $2,242,566.32 to $2,294,465.42 for the construction of the 2007/2008 Paving Rehabilitation Project Phase 1. The contract expiration date will not be affected by this change order.
**Staff Report:** Cyrus Abhar, Public Works Director
**Advances Goals:** 1, 2, 4, 5, 6, and 8

8.16 **Subject:** Resolution Authorizing the City Manager to Sign an Amendment to the Master Services Agreement with the Sacramento Society for the Prevention of Cruelty to Animals (Contract No. 37-2009) to Provide Ongoing Kenneling Services for the City from January 1, 2009 through December 31, 2011 in the Amount of $191,92.00
**Recommendation**: Adopt Resolution 36-2009.
**Result of Recommended Action:** Execution of this Amendment to the Master Services agreement between the City and the SSPCA will provide ongoing kenneling services for the City from January 1, 2009 through December 31, 2011. The SSPCA will also continue to collaborate with the City and provide adoption, spay, and neuter programs. The SSPCA will continue to provide the City the services needed to run an efficient Animal Services.
**Staff Report:** Kerry Simpson, Neighborhood Services – Animal Services Division
**Advances Goals:** 1, 4, 6, 8, 10, and 13

## 9. CONSENT PUBLIC HEARING ITEMS

NONE

## 10. PUBLIC HEARING ITEMS

10.1 **Subject:** Ordinance Amending Title 8, "Animals," of the Rancho Cordova Municipal Code Regarding the Laws and Regulations Pertaining to Licensing, Vicious Animals and Functions of Animal Services, and a Resolution Establishing Updated Licensing Fees and Other Fees Related to Animal Services
**Recommendation**: That Council:
a) Waive first reading and Introduce Ordinance 8-2009 amending Title 8, "Animals of the Rancho Cordova Municipal Code regarding the laws and regulations pertaining to licensing, vicious animals and functions of Animal Services **ROLL CALL VOTE**; and
b) Adopt Resolution 30-2009 updating licensing fees and establishing other fees related to Animal Services.
**Result of Recommended Action:** Adoption of this ordinance will establish updated provisions relating to vicious animals, including regulations for hearings and keeping of potentially dangerous dogs, and will update the provisions regarding licensing of dogs and cats. The Ordinance will also provide regulations clarifying the responsibilities of City residents for the keeping and selling of animals. Adoption of the Resolution will update the City's licensing fees and establish other fees related to Animal Services. These fees will help the City continue to provide a high level Animal Services program and promote responsible animal ownerships.
**Staff Report:** Curt Haven, Economic Development Department, Kerry Simpson, Neighborhood Services – Animal Services Division, and Adam Lindgren, City Attorney Office
**Advances Goals:** 1, 4, 6, 8, 10, and 13

10.2 **Subject:** Ordinances Temporarily Suspending Automatically Programmed Annual Program Fee Adjustments for a Period of One Year for Certain Development Impact Fee Programs
**Recommendation**: That Council:
a) Waive first reading and adopt Ordinance Nos. 5-2009, 6-2009 and 7-2009 **ROLL CALL VOTE**; and
b) Direct staff to suspend automatically programmed annual program fee adjustment for a period of one year for the City Transportation Impact Fee, the Sunrise Douglas Community Plan, and the Villages of Zinfandel Development Impact Fee Programs, waive full readings of the ordinances, and continue the ordinances to April 20, 2009

for adoption.

**Result of Recommended Action:** Automatically programmed annual program fee adjustments will be suspended for a period of one year for the City Transportation Impact Fee, Sunrise Douglas Community Plan Fee, and the Villages of Zinfandel Development Impact Fee programs.

**Staff Report:** Donna Silva, Finance Department

**Advances Goals:** 1, 9, 11, and 13

10.3 **Subject:** Ordinance Amendment Approving an Extension of the Residential and Non-residential Fee Deferral Program for One Additional Year from July 1, 2009 to June 30, 2010

**Recommendation**: That Council:

a) Waive first reading and introduce Ordinance No. 10-2009 approving an extension of the residential and non-residential Fee Deferral Program for one additional year from July 1, 2009 to June 30, 2010 **ROLL CALL VOTE**; and
b) Adopt Resolution No. 33-2009 extending temporary deferral of payment of certain development fees for a period of one year.

**Result of Recommended Action:** Extends the City's temporary Development Impact Fee Deferral Program, currently set to expire automatically on June 30, 2009 for a period of one year.

**Staff Report:** Donna Silva, Finance Department

**Advances Goals:** 1, 11, and 13

10.4 **Subject:** Approval of Draft 2009-10 Community Development Block Grant Action Plan

**Recommendation:** That Council:

a) Review the draft 2009-10 Community Development Block Grant (CDBG) Action Plan, including recommendations on funding allocations; and
b) Authorize the release of the Action Plan for public review and comment.

**Result of Recommended Action:** Provide the public with an opportunity to review and comment on the 2009-10 Action Plan, which serves as the annual budget for Community Development Block Grant (CDBG) funds. The Action Plan will be brought to the Council for adoption at the May 4, 2009 meeting.

**Staff Report:** Reed Flory, Economic Development Department – Housing Administration Division

**Advances Goals:** 4, 7, 8, and 11

10.5 **Subject:** Ordinance Amending Title 4, Business Regulations, by Adding Chapter 4.33, "Massage Establishments and Massage Technicians," Establishing Laws and Regulations Pertaining to Massage Establishments and Making Minor Consistency Amendments to the Municipal Code

**Recommendation**: Waive first reading and introduce Ordinance 9-2009. **ROLL CALL VOTE**

**Result of Recommended Action:** Adoption of this Ordinance will amend the City's Municipal Code by adding Chapter 4.33 related to massage establishments and massage tecnnicians, and make minor consistnecy amendments to the Municipal Code relating to massage establishments and massage technicians in order to reflect changes in State law and better protect City residents and visitors against illegal massage practices by

**Staff Report:** Adam U. Lindgren, City Attorney, Ruben Meeks, Chief of Police

**Advances Goals:** 1, 5, 6, 8, 10, and 13

10.6 **Subject:** Continue Public Hearing Resolution Increasing City of Rancho Cordova Parking Violation Fees
**Recommendation**: Continue public hearing to April 20, 2009 to consider an increase of the City of Rancho Cordova Parking Violation Fines.
**Result of Recommended Action:** Continuation of this Agenda Item 10.6 to April 20, 2009 will allow additional time for review by staff and the City Attorney's office.
**Staff Report:** Reuben Meeks, Rancho Cordova Police Department
**Advances Goal:** 11

## 11. REGULAR CALENDAR ITEMS

11.1 **Subject:** Resolution Authorizing the City Manager to Negotiate and Execute a Contract with Sacramento Regional Transit for the Management, Operation, and Maintenance for the City of Rancho Cordova Shuttle Service for a Period of Three Years in the Amount of $750,000.00
**Recommendation:** Adopt Resolution No. 32-2009.
**Result of Recommended Action:** Adoption of this resolution will authorize the City Manager to negotiate and execute a contract with Sacramento Regional Transit and the project team will move forward with implementation of the Rancho Cordova Shuttle Service.
**Staff Report:** Cyrus Abhar, Troy Holt and Mark Thomas, Public Works Department
**Advances Goals:** 1, 2, and 8

11.2 **Subject:** Approval of Folsom Boulevard Design Review Board for the Folsom Boulevard Specific Plan (Expedited Review)
**Recommendation:** Staff recommends Council authorize the preparation of updates to the Municipal Code to create a Design Review Board (DRB) for projects within the Folsom Boulevard Specific Plan and to initiate the recruitment process for DRB members.
**Result of Recommended Action:** Authorization will allow staff to prepare updates to the Municipal Code that will establish the Folsom Boulevard Design Review Board. Specific changes to the Municipal Code will be considered and acted upon by the City Council at a future meeting; additionally, the authorization will allow staff to begin soliciting applications from qualified design professionals to serve on the DRB.
**Staff Report:** Jeff Beiswenger, Planning Department
**Advances Goals:** 1, 4, 5, 8 and 9

## 12. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

## 13. CITY MANAGER'S REPORT

## 14. CLOSED SESSION

**Council may adjourn to Closed Session to discuss the following item(s):**

Conference with Legal Counsel – Existing Litigation – Government Code Section 54956.9(a) – (one case) – Name of case: City of Rancho Cordova et al vs. County of Sacramento; Case No. 34-2008-00002478-CU-WM-GDS.

Conference with Legal Counsel – Existing Litigation – Government Code Section 54956.9(a) – (one case) – Name of case: California Native Plant Society v. City of Rancho Cordova et al; Case No. 07CS01311.

## 15. OPEN SESSION – REPORT FROM CLOSED SESSION

The City Attorney will report on action taken in Closed Session.

## 16. ADJOURNMENT

## ADDITIONAL INFORMATION

**UNLESS THE COUNCIL ADOPTS A MOTION TO EXTEND THE MEETING, ANY ITEM THAT IS NOT INITIATED BEFORE 11 P.M. WILL BE CONTINUED TO THE NEXT DAY AT 5:30 P.M. OR SCHEDULED ON THE NEXT REGULAR MEETING AGENDA OF THE COUNCIL.**

**Public documents related to items on the open session portion of this agenda, which are distributed to the City Council less than 72 hours prior to the meeting, shall be available for public inspection at the time the documents are distributed to the Council. Documents are available for inspection at the City Clerk's office located in Rancho Cordova City Hall.**

The agenda items are accessible on the City's website at www.cityofranchocordova.org on Thursdays prior to the Regular City Council Meeting.

| **CITYWIDE GOALS** - (Adopted March 20, 2006) | |
|---|---|
| 1. | Foster a Positive Image of Rancho Cordova |
| 2. | Improve Transportation & Connectivity |
| 3. | Champion Employee Development & High Performance Work Environment |
| 4. | Ensure the Availability of the Best Public Services in the Region |
| 5. | Establish a Vibrant Downtown |
| 6. | Ensure a Safe Community |
| 7. | Improve the Quality of Housing In Rancho Cordova |
| 8. | Sustain a Livable Community |
| 9. | Drive Diverse Economic Opportunities |
| 10. | Foster Responsible Citizenship |
| 11. | Practice Sound Fiscal Management |
| 12. | Establish Logical (City) Boundaries |
| 13. | Continue To Provide Regional Leadership |

| ***UPCOMING MEETINGS*** | |
|---|---|
| ***Tuesday, April 14, 2009*** | ***5:30 p.m. Work Session on Folsom Boulevard Enhancements Phase II and Special Planning Area Updates*** |
| ***Monday, April 20, 2009*** | ***5:30 p.m. Regular Meeting*** |
| ***Monday, May 4, 2009*** | ***5:30 p.m. Regular Meeting*** |
| ***Tuesday, May 12, 2009*** | ***5:30 p.m. Work Session on TBD*** |
| ***Monday, May 18, 2009*** | ***12:00-5:00 p.m. Budget Workshop Study Session***<br>***5:30 p.m. Regular Meeting*** |

If you have any technical questions related to the agenda items, please contact the appropriate department as follows:

| DEPARTMENTAL GENERAL TELEPHONE NUMBERS | |
|---|---|
| Building Department | (916) 851-8760 |
| City Attorney's Office | (916) 556-1531 |
| City Clerk's Department | (916) 851-8720 |
| City Manager's Office | (916) 851-8800 |
| Communications Department | (916) 851-8791 |
| Economic Development Department | (916) 851-8780 |
| Finance Department | (916) 851-8730 |
| Human Resources Department | (916) 851-8740 |
| IT Department | (916) 851-8700 |
| Neighborhood Services – Animal Services | (916) 851-8770 |
| Parks & Recreation | (916) 362-9602 |
| Planning Department | (916) 851-8750 |
| Public Works Department | (916) 851-8710 |
| Rancho Cordova Police Department | (916) 875-9673 |
| Redevelopment | (916) 851-8780 |
| Sac Metro Fire District | (916) 566-4000 |

The Rancho Cordova City Council/CRA/RCFC will be videotaped in its entirety and will be cablecast without interruption on Metro Cable 14, the Government Affairs Channel on the Comcast, SureWest and Strategic Technologies Cable Systems. Closed Captioning will be available on the playback cablecast. Tune to Metro Cable Channel 14, for playback times. A VHS copy is available for check out from any library branch, a DVD copy is available from the City Clerk's Department, and a webcast of this meeting will be available for viewing via Granicus Video Streaming from the City's website within 48 hours of adjournment of this meeting. The City does not control scheduling of this telecast and persons interested in watching the televised meeting should confirm this schedule with Metro Cable TV, Channel 14.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's Office at (916) 851-8720 at least 48 hours prior to the meeting.

## CERTIFICATION OF POSTING OF AGENDA

I, Mindy Cuppy, City Clerk for the City of Rancho Cordova, declare that the foregoing agenda for the April 6, 2009 Regular Meeting of the Rancho Cordova City Council/CRA/RCFC was posted and available for review on April 2, 2009 at City Hall of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California, 95670. The agenda is also available on the city web site at www.cityofranchocordova.org.

Signed this 2nd day of April 2009 at Rancho Cordova, California.

Mindy Cuppy

**Mindy Cuppy, City Clerk**

# CONCURRENT MEETING
# CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY (CRA)/ RANCHO CORDOVA FINANCING CORPORATION (RCFC)

**City Hall**
**2729 Prospect Park Drive, Rancho Cordova**

**Monday, March 2, 2009**

**4:00 P.M. – Study Session**
**American River Community Room - North**

**5:30 P.M. – Regular Meeting**
**David B. Roberts Council Chambers**

# MINUTES

## A. STUDY SESSION – CALL TO ORDER / ROLL CALL

Mayor Skoglund called the special meeting to order in the American River North Community Room at 4:15 p.m.

| | |
|---|---|
| Council Members Present: | Budge, Sander, McGarvey, Cooley and Mayor Skoglund |
| Staff Present: | Gaebler, Lindgren, Cuppy, Silva, Abhar, Pearl, Junker, Behrends, Sparkman, Runner, Miller, Peterson and Snyder |

## B. PUBLIC COMMENT

None

## C. STUDY SESSION ITEM

**Subject:** Follow-up Discussion from Third Annual Financial Issues Workshop Corporate Report.
**Recommendation**: Conduct follow-up discussions.
**Result of Recommended Action:** Council will receive answers to questions posed at the workshop and will have been provided with a venue to discuss policy issues brought up at, or initiated by information presented at, the Financial Issues Workshop.
**Staff Report:** Donna Silva, Finance Department
**Advances Goals:** 1, 8, 9 and 11

**ACTION:** Discussion item only; no action taken.

## D. ADJOURNMENT OF STUDY SESSION

Mayor Skoglund adjourned the special meeting at 5:23 p.m.

## 1. REGULAR MEETING – CALL TO ORDER / ROLL CALL

Mayor Skoglund called the regular meeting to order in the David B. Roberts Council Chambers at 5:48 p.m.

Council Members Present: Budge, Sander, McGarvey, Cooley and Mayor Skoglund

Staff Present: Gaebler, Lindgren, Chinn, Cuppy, Oliver, Silva, Abhar, Pearl, Lehr, Sparkman, Runner, Miller, Behrends, Misner, Hadley, Dumford, and Snyder

## 2. METRO CABLE TV TELEVISION ANNOUNCEMENT

The City Clerk announced the meetings video recording and playback schedules.

## 3. PLEDGE OF ALLEGIANCE

The Mayor called on Ken Cooley to lead the Pledge.

## 4. INVOCATION

Glenda Harr, First Covenant Church, gave the invocation.

## 5. PRESENTATIONS

5.1 Mayor Skoglund Presented a Proclamation to Cindy Blain, Greenprint Relations Director of Sacramento Tree Foundation in Support of California Arbor Day on March 7, 2009.

5.2 Mayor Skoglund recognized Vice Mayor Cooley's Birthday on March 18th.

**AT THIS POINT** Council broke for a brief recess in honor of Vice Mayor Cooley's birthday. The full council reconvened at 6:15 p.m.

## 6. PUBLIC COMMENT

The following individuals addressed the Council:

1. Corey Carskaddon regarding metal sound barrier along Highway 50.
2. Sam Gutierrez regarding lighting, landscaping Highway 50 project.
3. Walter J. Braud regarding Highway 50 wall from Bradshaw to Routier.

## 7. COUNCIL REPORTS

Council reported on events since the last meeting.

## 8. CONSENT CALENDAR ITEMS – ROLL CALL VOTE

**ACTION:** Motion by Budge second by Sander and carried by a 5:0 roll call vote; Council approved the consent calendar, except Agenda Items 8.4 and 8.5 was pulled for separate discussion.

8.1 **Subject:** Meeting Minutes:
a) February 13, 2009 Special Meeting;
b) February 17, 2009 Regular Meeting; and
**Recommendation:** Adopt Minutes.

8.2 **Subject:** Resolution Approving Annexation of 3581 Mather Field Road Project to the City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance)
**Recommendation**: Adopt Resolution No. 14-2009
**Result of Recommended Action:** Adoption of this resolution will declare the results of the special mailed-ballot election for the 3581 Mather Field Road Project Annexation to Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance, orders the annexation, authorizes the special tax levy on that project, and directs the recording of the Amended Notice of Special Tax Lien. There is no financial impact to existing residents.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 11

8.3 **Subject:** Resolution Approving the City of Rancho Cordova 2009 Investment Policy
**Recommendation**: Adopt Resolution No. 16-2009 **(Roll Call Vote)**.
**Result of Recommended Action:** Adoption of this resolution will approve the City of Rancho Cordova 2009 Investment Policy that will guide the City's investment of excess funds through December 31, 2009.
**Staff Report:** Donna Silva, Finance Director
**Advances Goal:** 11

**The following items were pulled for separate discussion:**

8.4 **Subject:** Resolution Authorizing the Submittal of an Enterprise Zone Application to the State of California Department of Housing and Community Development
**Recommendation**: Adopt Resolution No. 15-2009.
**Result of Recommended Action:** Adoption of this resolution will result in the enterprise zone application submittal to the state by March 27, 2009. There are four slots available, and the designation process is highly competitive. If awarded, the Sacramento Enterprise Zone will be designated in May.
**Staff Report:** Curt Haven and Micah Runner, Economic Development Department
**Advances Goals:** 1, 3, and 9

Mayor Skoglund opened the public comment period. There were no speakers. Mayor Skoglund closed the public comment period.

**ACTION:** Motion by Budge second by McGarvey and carried by a 5:0 vote; Council adopted Resolution No. 15-2009.

8.5 **Subject:** Community Redevelopment Agency Resolution Authorizing the Submittal of an Enterprise Zone Application to the State of California Department of Housing and Community Development
**Recommendation**: Adopt Agency Resolution No. CRA-3-2009.
**Result of Recommended Action:** Adoption of this resolution will result in the enterprise zone application submittal to the state by March 27, 2009. There are four slots available, and the designation process is highly competitive. If awarded, the Sacramento Enterprise Zone will be designated in May.
**Staff Report:** Curt Haven and Micah Runner, Economic Development Department
**Advances Goals:** 1, 3, and 9
**COUNCIL ACTING AS COMMUNITY REDEVELOPMENT AGENCY**

Mayor Skoglund opened the public comment period. There were no speakers. Mayor Skoglund closed the public comment period.

**ACTION:** Motion by Budge second by McGarvey and carried by a 5:0 vote; Council adopted Agency Resolution No. CRA-3-2009.

## 9. CONSENT PUBLIC HEARING ITEMS

NONE

## 10. PUBLIC HEARING ITEMS

NONE

## 11. REGULAR CALENDAR ITEMS

11.1 **Subject:** Presentation of Geographical Information System (GIS) Update
**Recommendation**: Receive report.
**Result of Recommended Action:** Council will receive report on the Rancho Cordova GIS. Topics covered will include: GIS introduction, past accomplishments, benefits to the City, cost summary, and future goals. The presentation should provide the information necessary to answer any outstanding questions or concerns related to GIS expenditures related to return on investment, and future direction.
**Staff Report:** Mark Dumford, Information Technology Department
**Advances Goal:** None

Mayor Skoglund opened the public comment period. There were no speakers. Mayor Skoglund closed the public comment period.

**ACTION:** Discussion item only; no action taken.

11.2 **Subject:** Resolution Authorizing the City Manager to Execute a First Contract Amendment with Interwest Consulting for GIS Services in the Amount of $100,000.00 **(Continued from February 17, 2009)**
**Recommendation**: Adopt Resolution No. 11-2009.
**Result of Recommended Action:** Adoption of this resolution will authorize the City Manager to execute First Amendment Contract No. 194-2007-1 with Interwest Consulting Group to continue providing internal GIS Service to the Public Works Department. The amendment will increase Contract No. 194-2007 from $75,000 to $175,000 and extend the term of service by two years to expire on December 10, 2010. Work provided under this contract will be funded by Public Works special revenues and operating budget.
**Staff Report:** Cyrus Abhar, Public Works Department
**Advances Goal:** 4

Mayor Skoglund opened the public comment period. There were no speakers. Mayor Skoglund closed the public comment period.

**ACTION:** Motion by Budge second by McGarvey and carried by a 4:0 vote (Cooley absent); Council adopted Resolution No. 11-2009.

11.3 **Subject:** Discussion of Options for New User Utility Tax (UUT) Ordinance Given the May 19, 2009 Special Election Called by the State of California
**Recommendation**: Council to Receive Analysis Prepared by Staff and Provide Direction.
**Result of Recommended Action:** This discussion will educate the Council regarding the definitions and implications of a general tax versus a special tax at a general election versus a special election enabling Council to provide direction to staff on the methodology and timing for adoption of a new User Utility Tax ordinance.
**Staff Report:** Donna Silva, Finance Department
**Advances Goal:** None

Mayor Skoglund opened the public comment period. There were no speakers. Mayor Skoglund closed the public comment period.

**ACTION:** Motion by Budge second by McGarvey and carried by a 4:1 vote (Sander dissenting), Council called a Special Rancho Cordova City Council meeting on Thursday, March 5th at 5:00 PM to consider and act on these items.

## 12. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

NONE

## 13. CITY MANAGER'S REPORT

**City Manager Ted Gaebler reported on the following City Manager Office Updates:**

City Manager's Office, Mgt. Support & Analysis, Sp. Projects, Communications & Administrative Support Updates

## 14. ADJOURNMENT

Mayor Skoglund adjourned the regular meeting at 8:51 p.m.

_____
Mindy Cuppy, City Clerk

**CITY COUNCIL SPECIAL MEETING**

**City Hall**
**2729 Prospect Park Drive, Rancho Cordova**

**Thursday, March 5, 2009**

**5:00 P.M.**
**David B. Roberts Council Chambers**

# MINUTES

## A. SPECIAL MEETING – CALL TO ORDER / ROLL CALL

Mayor Skoglund called the special meeting to order in the David B. Roberts Council Chambers at 5:06 p.m.

| | |
|---|---|
| Council Members Present: | Budge, Sander, McGarvey, Cooley and Mayor Skoglund |
| Staff Present: | Gaebler, Lindgren, Cuppy, Lehr, Silva, Abhar, Pearl, Behrends, Miller, Misner, Chinn, Santini, Lohse and Snyder |

## B. PUBLIC COMMENT

NONE

## C. PUBLIC HEARING ITEM

**Subject:** Adoption of Resolution(s) for New Utility User Tax (UUT) Ordinance Given the May 19, 2009 Special Election Called by the State of California
**Recommendation**: That Council:

- Adopt Resolution No. 17-2009 adopting emergency findings, and;
- Adopt Resolution No. 18-2009 establishing May 19, 2009 as the date for an election on a proposed ballot measure seeking voter approval to modernize the language contained in City's existing UUT ordinance as a general tax for General Fund purposes.

**OR**

- Approve Resolution No. 19-2009 establishing May 19, 2009 as the date for an election on a proposed ballot measure seeking voter approval to modernize the language contained in the City's existing UUT ordinance as a special tax for funding police services, maintenance of and improvements to city streets, sidewalks, and landscaping, graffiti removal, and code enforcement.

**Result of Recommended Action:** The amended ordinance would contain updated definitions of telecommunication and video (cable-like) services so that tax payers are treated the same regardless of the technology used. If the City Council chooses to place the modification of the tax on the ballot as a special tax measure, the tax will be used for funding police services, maintenance of and improvements to city streets, sidewalks, and landscaping, graffiti removal, and code enforcement. Measure B, and all required supporting resolutions, ordinances and documents will be submitted to the County of Sacramento on Friday March 6, 2009, for inclusion on the May 19, 2009 Statewide special election ballot, at an approximate cost share of $140,507.
**Advances Goal:** 11

**ACTION:** Motion by Budge second by McGarvey and failed by a 4:1 vote (Sander dissenting) Resolution No. 17-2009 and Resolution No. 18-2009 were not adopted.

**ACTION:** Motion by Budge second by Cooley and carried by a 4:1 vote (Sander dissenting) Resolution No. 19-2009 was adopted.

## D. ADJOURNMENT OF SPECIAL MEETING

Mayor Skoglund adjourned the special meeting at 6:14 p.m.

_____
Mindy Cuppy, City Clerk

**SPECIAL MEETING**

**City Hall**
**American River Community Room - North**
**2729 Prospect Park Drive, Rancho Cordova**

**Tuesday, March 24, 2009**

**5:30 p.m. – Work Session**

## SPECIAL MEETING – CALL TO ORDER / ROLL CALL

Mayor Skoglund called the special meeting to order in the American River North Community Room at 5:46 p.m.

| | |
|---|---|
| Council Members Present: | Budge, McGarvey, Sander, Cooley, and Mayor Skoglund |
| Staff Present: | Abhar, Chinn, Cuppy, Flory, Gaebler, Hadley, Haven, Holt, Junker, Meeks, Pearl, Peterson, Runner, Sanchez, Simpson, Silva, Snyder, Thomas |

## WORK SESSION ITEMS

1. Transit Planning Update

   **ACTION:** Discussion item only; no action taken.

2. Council Discussion of Future Vision
   - Council will lead follow up discussion from the January 12-13, 2009 Staff and Council Learning Retreat

   **ACTION:** Discussion item only; no action taken.

## PUBLIC COMMENT

Patrick Kelly, Commute Coordinate for the State Controller's Office, spoke in support of the demonstration shuttle service.

## ADJOURNMENT

Mayor Skoglund adjourned the special meeting at 8:45 p.m.

_____
Mindy Cuppy, City Clerk

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **APPROVAL OF PARCEL MAP TITLED PARCEL MAP FOR ALCIDES A. GONZALEZ; SUBDIVISION NO. RC-08-349**

## RECOMMENDATION

Submitted herewith for approval is the parcel map titled Parcel Map for Alcides A. Gonzalez; Subdivision No. RC-08-349; located at the northeasterly corner of Coloma Road and McGregor Drive.

## RESULT OF RECOMMENDED ACTION

Approval of this recommended action will result in the recording of the final parcel map creating two new parcels.

## BACKGROUND

The City Council approved the tentative parcel map to subdivide one parcel into two parcels at the northwesterly corner of Coloma Road and McGregor Drive (APN 056-0222-002) on September 15, 2008. The new parcel is the proposed site of a new store building.

The final parcel map has been examined and checked for compliance with Title 22 of the City Code and the California State Map Act. A vicinity map **(Attachment 1)** and copy of the final map **(Attachment 2)** are included with this letter.

## ATTACHMENTS

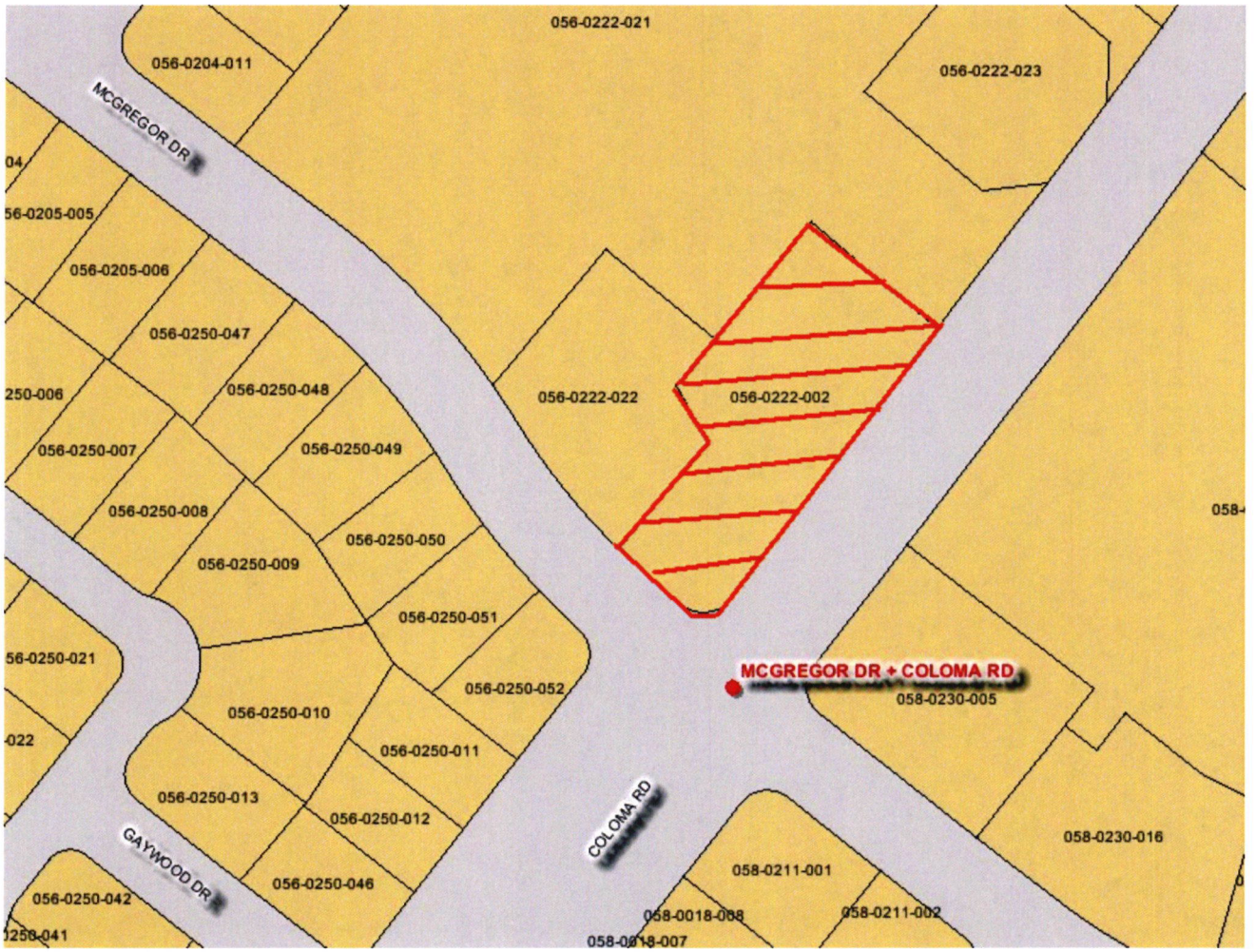
1. Vicinity Map
2. 8 ½ X 11 Copy of Final Map

**AGENDA ITEM 8.2**

**ATTACHMENT 1**

# PARCEL MAP FOR ALCIDES A. GONZALEZ
# SUBDIVISION NO. RC-08-349

## VICINITY MAP



# PARCEL MAP
# FOR
# ALCIDES A. GONZALEZ
# SUBDIVISION NO.RC-08-349

PROTION OF SUBDIVISION OF "JOHN SHIELS 324.58 AC" OF PLAT OF RANCHO RIO DE LOS AMERICANOS, FILED IN BOOK 1 OF MAPS, MAP No.2 SACRAMENTO COUNTY RECORDS CITY OF RANCHO CORDOVA COUNTY OF SACRAMENTO, CALIFORNIA.

JANUARY, 2009


**TERRA FIRMA**
LAND SURVEYING-CIVIL ENGINEERING
LAND PLANNING-GOLF COURSE DESIGN
11310 PROSPECT DR.SUITE#10-207
JACKSON, CALIFORNIA 95642
1-209-256-2087


## OWNER'S STATEMENT:

THE UNDERSIGNED HEREBY CONSENTS TO THE PREPARATION AND RECORDATION OF THE PARCEL MAP AND OFFER FOR DEDICATION AND DO HEREBY DEDICATE TO SPECIFIC PURPOSES THE FOLLOWING:

1. EASEMENTS FOR PLANTING AND MAINTAINING TREES, ELECTROLIERS, TRAFFICE CONTROL DEVICES, WATER AND GAS PIPE, AND FOR OVERHEAD AND UNDERGROUND WIRES AND CONDUITS FOR ELECTRIC, TELEVISION AND TELEPHONE AND TELEPHONE SERVICES, TOGETHER WITH ANY AND ALL APPURTENANCES PERTAINING THERETO ON, OVER, UNDER, AND ACROSS STRIPS OF LAND 12.5 FEET IN WITH LYING CONTIGUOUS TO THE DRIVE AND ROAD SHOWN HEREON, AND DESIGNATED "PUBLIC UTILITY EASEMENT" (P.U.E.)

2. RIGHT OF WAY AND EASEMENTS FOR THE INSTALLATION AND MAINTENANCE OF A PEDESTRIAN WALKWAY, TOGETHER WITH ANY AND ALL APPURTENANCES PERTAINING THERETO ON, OVER, UNDER AND ACROSS THAT STRIP OF LAND SHOWN HEREON AND DESIGNATED "PEDESTRIAN EASEMENT." THE MAINTENANCE AND REPAIR OF THE WALKWAY SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNER.

ALCIDES A. GONZALEZ AND SUCCESSORS IN TRUST AS TRUSTEE OF THE ALCIDES A. GONZALEZ TRUST DATED SEPTEMBER 8, 2006

BY: _____ 02-27-2009
ALCIDES A. GONZALEZ DATE:

## BENEFICIARY STATEMENT:

LEHMAN BROTHERS BANK, FSB, AS BENEFICIARY UNDER DEED OF TRUST RECORDED FEBRUARY 26, 2008 IN BOOK 20080226, PAGE 1065, OFFICIAL RECORDS

BY: _____ 25 FEB 09
JOHN F. KULLERSTRAND DATE:
VICE PRESIDENT
LEHMAN BROTHERS BANK, FSB

## NOTARY'S ACKNOWLEDGEMENT:

STATE OF CALIFORNIA)
COUNTY OF AMADOR) SS

ON 2/27/09 BEFORE ME, Tani Aschenbrenner

PERSONALLY APPEARED ALCIDES A. GONZALEZ, 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 PENTALTY OF PURJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT

WITNESS MY HAND AND OFFICIAL SEAL.

_____ Tani Aschenbrenner
SIGNATURE PRINT NAME

COUNTY: Sacramento COMM. NUMBER: 1710297

MY COMMISSION EXPIRES: December 12, 2010

## NOTARY'S ACKNOWLEDGEMENT:

STATE OF CALIFORNIA)
COUNTY OF Orange) SS

ON February 25, 2009 BEFORE ME, Mariah Dobransky, Notary Public

PERSONALLY APPEARED JOHN F. KULLERSTRAND 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 PENTALTY OF PURJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT

WITNESS MY HAND AND OFFICIAL SEAL.

_____ Mariah Dobransky
SIGNATURE PRINT NAME

COUNTY: Orange COMM. NUMBER: 1680021

MY COMMISSION EXPIRES: Aug 5, 2010

Mariah Dobransky Commission # 1680021 Notary Public - California Orange County My Comm. Expires Aug 5, 2010

## IMPROVEMENT REQUIREMENTS

THE FOLLOWING PUBLIC IMPROVEMENTS SHALL BE CONSTRUCTED IN ACCORDANCE WITH THE CITY OF RANCHO CORDOVA IMPROVEMENT STANDARDS WITHIN A REASONABLE TIME FOLLOWING APPROVAL OF THE PARCEL MAP AND PRIOR TO THE ISSUANCE OF ANY PERMIT OR OTHER GRANT OF APPROVAL FOR DEVELOPEMENT OF THE HEREON-CREATED PARCELS:

| | |
|---|---|
| STREETS: | CLASS A |
| STREETLIGHTS: | REQUIRED |
| SEWER: | REQUIRED |
| DRAINAGE: | REQUIRED |
| WATER/HYDRANTS: | REQUIRED |

## SURVEYOR'S STATEMENT:

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF ALCIDES A. GONZALEZ IN JUNE OF 2008. I HEREBY STATE THAT THIS PARCEL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP. ALL MONUMENTS SHOWN HEREON ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED, THE MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED

_____ 2-19-2009
GARY L. MILAND P.L.S. 7386 DATE:
MY LICENSE EXPIRES 12/31/2009

LICENSED LAND SURVEYOR GARY L. MILAND L.S. 7386 EXP. 12-31-09 STATE OF CALIFORNIA

## CITY ENGINEER'S STATEMENT:

I HEREBY STATE THAT I HAVE EXAMINED THIS PARCEL MAP AND FIND IT TO BE SUBSTANTIALLY THE SAME AS THE APPROVED TENTATIVE MAP; THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT AND ALL APPLICABLE CITY ORDINANCES HAVE BEEN COMPLIED WITH AND THAT I AM SATISFIED THAT SAID MAP IS TECHNICALLY CORRECT.

DATE: _____ CYRUS E. ABHARI L.S. 7723/R.C.E. 46424
CITY ENGINEER

## CITY CLERK STATEMENT:

I HEREBY STATE THAT THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA HAS APPROVED THIS PARCEL MAP AND ACCEPTS ON BEHALF OF THE PUBLIC THE EASEMENTS HEREON OFFERED FOR DEDICATION.

DATE: _____ CITY CLERK
CITY OF RANCHO CORDOVA

## RECORDER'S STATEMENT:

ACCEPTED FOR RECORD AND FILED IN THE OFFICE OF THE RECORDER OF SACRAMENTO COUNTY IN BOOK _____ OF PARCEL MAPS, AT PAGE _____

THIS _____ DAY OF _____, 2008, AT _____ HOURS _____ MINUTES, _____ M. TITLE TO THE LAND INCLUDED IN THIS PARCEL MAP BEING VESTED AS PER CERTIFICATE NO: _____ ON FILE IN THIS OFFICE.

DOCUMENT NO. _____

RECORDER OF SACRAMENTO COUNTY
STATE OF CALIFORNIA

BY: _____ FEE $_____



ATTACHMENT 2

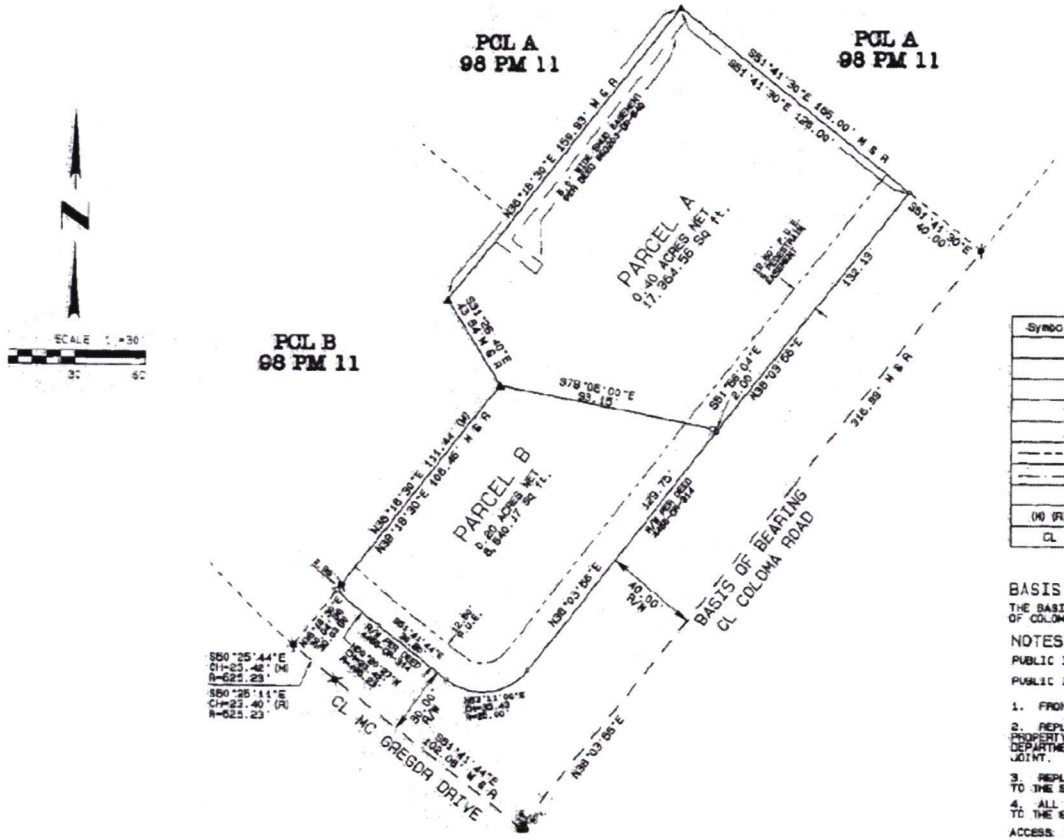
**TERRA FIRMA**

LAND SURVEYING-ENGINEERING
GOLF COURSE DESIGN-LAND PLANNING
11310 PROSPECT DRIVE JACKSON, CALIFORNIA 95642
1-209-256-2087

# PARCEL MAP
# FOR
# ALCIDES A. GONZALEZ
# SUBDIVISION NO.RC-08-349

PORTION OF SUBDIVISION OF "JOHN SHIELS 324 58/100 AC" OF PLAT OF RANCHO RIO DE LOS AMERICANOS, FILED IN BOOK 1 OF MAPS, MAP No. 2

JANUARY, 2009




LEGEND:

| Symbol | Description |
|---|---|
| ⊙ | INDICATES 5/8" REBAR TAGGED L.S.7366 SET THIS SURVEY |
| ▲ | INDICATES 5/8" REBAR FOUND PER PM 98-11 |
| # | INDICATES PK NAIL FOUND PER PM 98-11 |
| ● | INDICATES CO. SPIKE & WASHER FOUND PER PM 98-11 |
| ⊠ | INDICATES 3/4" IRON PIPE FOUND PER PM 98-11 |
| — — — | INDICATES 12.50' PEDESTRIAN & P.U.E. EASEMENT |
| — · — | INDICATES 5.0' SMUD EASEMENT PER DEED 560203-OR-540 |
| + | INDICATES DIMENTION POINT, NOTHING SET, NOTHING FOUND |
| (M) (R) | INDICATES MEASURED & RECORD |
| CL | INDICATES CENTER LINE |

BASIS OF BEARING:

THE BASIS OF BEARING OF THIS MAP IS IDENTICAL TO THAT OF THE CENTERLINE OF COLOMA ROAD, THE BEARING OF WHICH IS N 30°03'56"E, PER PARCEL MAP 96-11A

NOTES:

PUBLIC IMPROVEMENTS:

PUBLIC IMPROVEMENTS MAY INCLUDE, BUT SHALL NOT BE LIMITED TO:

1. FRONTAGE IMPROVEMENTS PER CITY STANDARDS.
2. REPLACEMENT OF DAMAGED SIDEWALK AND CURB AND GUTTER ALONG PROPERTY FRONTAGE TO THE SATISFACTION OF THE PUBLIC WORKS DEPARTMENT. SIDEWALK PANELS SHALL BE REPLACED TO THE NEAREST JOINT.
3. REPLACEMENT OF DAMAGED PAVEMENT ALONG PROPERTY FRONTAGE TO THE SATISFACTION OF THE PUBLIC WORKS DEPARTMENT.
4. ALL IMPROVEMENTS TO BE DESIGNED AND CONSTRUCTED TO THE SATISFACTION OF THE PUBLIC WORKS DEPARTMENT.

ACCESS:

OWNER SHALL GRANT/RESERVE A RECIPROCAL ACCESS AND PARKING BETWEEN PARCELS SHOWN HEREON PRIOR TO THE SALE AND/OR RECONVEYANCE OF SAID PARCELS.

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **ANNEXATION OF TARGET STORE PROJECT TO THE CITY OF RANCHO CORDOVA COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE)**

## RECOMMENDATION

Adopt Resolution No. 20-2009.

## RESULT OF RECOMMENDED ACTIONS

Adoption of Resolution No. 20-2009 declares the results of the special mailed-ballot election for the Target Store Project Annexation to Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance), orders the annexation, authorizes the special tax levy on that project, and directs the recording of the Amended Notice of Special Tax Lien. There is no financial impact to existing residents.

## BACKGROUND

On October 6, 2008, the City adopted a resolution of intention to establish a Community Facilities District (CFD) and Future Annexation Area for Citywide street lighting and road maintenance services. On November 17, 2008, the City adopted the resolution forming the CFD No. 2008-1 pursuant to the Mello-Roos Community Facilities Act of 1982 (State of California Government Code Section 5311 et seq.) (the "Act"). The action defining the Future Annexation Area for the District provided for a more efficient process for the annexation of property when the property owners have provided for their unanimous consent. Defining the Future Annexation Area provided the resolution of intention, noticing, and public hearing for the entire Future Annexation Area so these steps do not need to be repeated for each annexation. Thus the annexation process for projects within the Future Annexation Area has been reduced to receiving a petition from the property owner(s), conducting the mailed-ballot election, and the Council adopting a resolution determining the election result, ordering the annexation, and authorizing the levy of special taxes.

The Project included in this action was conditioned to annex to the District to provide funding for maintenance services including the maintenance, repair, replacement and lighting of public streets and roads and appurtenant facilities in the public right of way.

## DISCUSSION

The City Clerk conducted the special mailed-ballot landowner election as required by the Act. The election was a landowner election as required by the Act when there are less than twelve registered voters residing within territory proposed to be annexed. A proposition was submitted to each qualified voter asking whether the Project should be annexed to the District and whether a special tax should be levied on each parcel annexed to finance the costs of providing certain public services.

The City Clerk has canvassed the returns of the special election for the Project and has prepared a report of such election which is on file in the Clerk's office. The results of the Target Store Project election are as follows:

| | |
|---|---|
| Total Votes Cast "Yes": | 10 |
| Total Votes Cast "No": | 0 |
| Total Votes Cast: | 10 |

The results show that more than two-thirds (2/3) of all the votes cast were in favor of approving the annexation and levy of the special tax.

Adoption of the attached resolution confirms the election results and formally includes the Project in the District and authorizes the levy of the special tax. Taxable parcels in the District will remain subject to the special tax in perpetuity to finance the authorized maintenance services. The maximum annual special tax that will be levied on the project is based on the per square foot rates identified in the Rate and Method of Apportionment, ranging from $0.03 per square foot for industrial buildings, $0.08 per square foot for office buildings to $0.09 per square foot for commercial buildings (in FY 08/09 dollars). The annual tax will escalate annually based on the construction cost index in Engineering News Record.

## ATTACHMENT

Resolution No. 20-2009

**RESOLUTION NO. 20-2009**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DECLARING RESULTS OF SPECIAL MAILED-BALLOT ELECTION FOR THE TARGET STORE PROJECT ANNEXATION TO THE CITY OF RANCHO CORDOVA COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE), ORDERING THE ANNEXATION, AUTHORIZING THE SPECIAL TAX LEVY, AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN**

**WHEREAS,** the City Clerk has duly canvassed the votes cast by qualified landowners of the territory proposed to be annexed to the City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) (the "District") at a special mailed-ballot election (the "Election") called for February 25, 2009, upon the proposition hereinafter set forth, and has reported to the City Council of the City of Rancho Cordova (the "City Council") the result of the votes cast at the Election upon such proposition, which said report is now on file in the office of the Clerk of the City of Rancho Cordova and attached as **Exhibit 1**.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA**, as follows:

Section 1. The above recitals are true and correct, and the Council so finds and determines.

Section 2. The canvass of the votes cast in the territory to be annexed to the District at the Election, as shown by said report, is hereby approved and confirmed.

Section 3. At the Election the following proposition was submitted to the qualified voters of the territory to be annexed to the District and the number of votes cast for and against such proposition, as set forth in said report, is determined to be as follows:

> "Shall the territory known as the Target Store, which is included in the Future Annexation Area as shown on Exhibit A to Resolution No. 108-2008 adopted October 6, 2008 and as shown on the Annexation Map No. 1 (Target Store) recorded at Book 110, Page 0013, of the Official Records of the County of Sacramento, be annexed to City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended; and
>
> Shall a special tax with a maximum rate and method of apportionment as provided in Exhibit B of Resolution No. 129-2008, the Resolution of Formation of the District adopted by the City Council on November 17, 2008, be levied within said territory proposed to be annexed to finance certain public services for the CFD and to pay the costs of the City in administering the CFD, and shall the annual appropriations limit of the CFD be established at $12,000,000?"

Section 4. The total number of votes cast at the Election for and against such proposition was and is set forth in said report.

Section 5. More than two-thirds of all the votes cast at the Election were cast in favor of such proposition, and such proposition carried, and the territory proposed to be annexed shall be included in the District and a special tax levied to finance the cost of providing the certain public services therein.

Section 6. The City Clerk is hereby directed to enter this resolution on the minutes of the City Council, which shall constitute the official declaration of the result of such Election.

Section 7. The City Council finds and determines that the Territory shown in **Exhibit 2** is hereby added to and made a part of the District with full legal effect.

Section 8. The City Council finds and determines that a special tax shall be levied within the Territory to be annexed and which special tax shall be the same as the tax to be levied within the District. Collection of said tax shall commence in Fiscal year 2009-10, and the rate and method of apportionment of said tax shall be as set forth in **Exhibit B** of the Resolution of Formation, incorporated herein, and made a part hereof.

Section 9. The City Clerk is directed to execute and record a Notice of Special Tax Lien in substantially the same form as shown in **Exhibit 3** attached hereto, in the office of the County Recorder of Sacramento County not later than 15 days after adoption of this resolution.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009, by the following vote of the City Council:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT 1**

## CANVASS AND STATEMENT OF RESULT OF ELECTION

### CITY OF RANCHO CORDOVA
### Community Facilities District No. 2008-1
### (Street Lighting and Road Maintenance)

I hereby certify that on April 6, 2009, I canvassed the returns of the election held on in the Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) of the City of Rancho Cordova and the total number of ballots cast in said District and the total number of votes cast for and against the measure are as follows and the totals as shown for and against the measure are full, true and correct:

| | Qualified Landowner Votes | Votes Cast | YES | NO |
|---|---|---|---|---|
| Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) of the City of Rancho Cordova, Special Tax Election, February 25, 2009 | 10 | 10 | 10 | 0 |

**BALLOT MEASURE**: "Shall the territory known as the Target Store, which is included in the Future Annexation Area as shown on Exhibit A to Resolution No. 108-2008 adopted October 6, 2008 and as shown on the Annexation Map No. 1 (Target Store) recorded at Book 110, Page 0013, of the Official Records of the County of Sacramento, be annexed to City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended; and

Shall a special tax with a maximum rate and method of apportionment as provided in Exhibit C of Resolution No. 129-2008, the Resolution of Formation of the District adopted by the City Council on November 17, 2008, be levied within said territory proposed to be annexed to finance certain public services for the CFD and to pay the costs of the City in administering the CFD, and shall the annual appropriations limit of the CFD be established at $12,000,000?"

**YES:** _____

**NO:** _____

**IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND** on April 6, 2009.

By: _____
Mindy Cuppy, City Clerk
City of Rancho Cordova

**EXHIBIT 2**

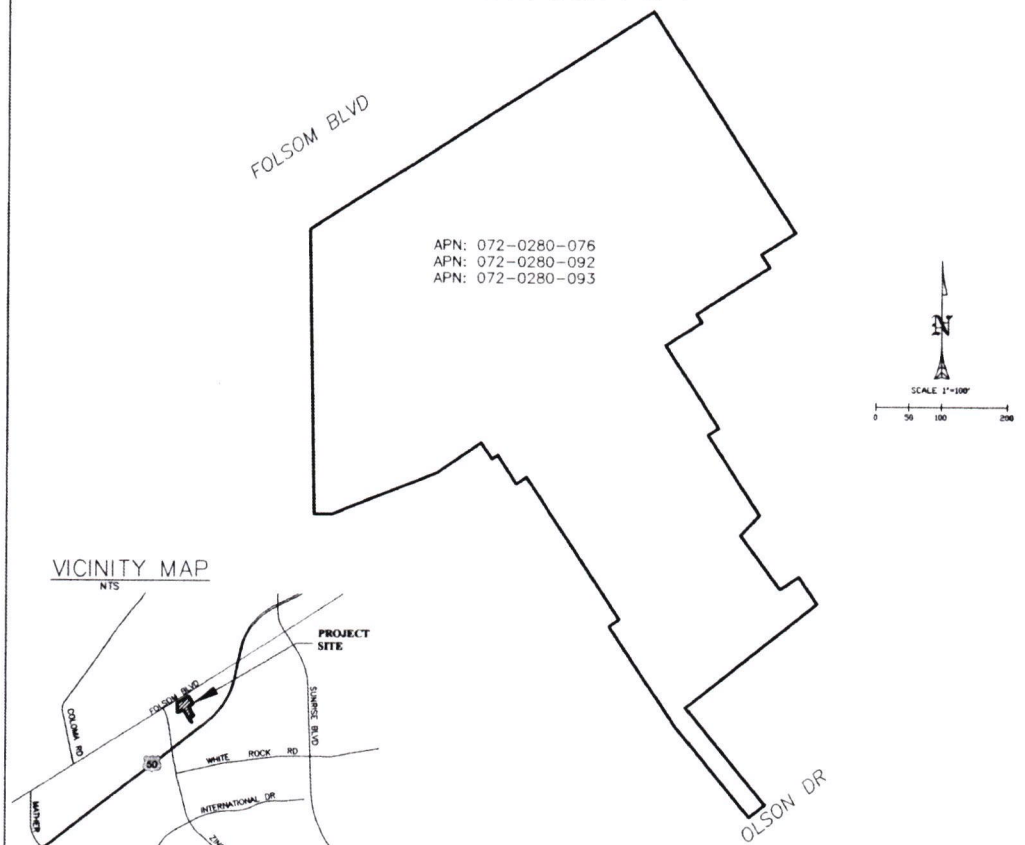
ANNEXATION MAP NO. 1 (TARGET STORE)

# COMMUNITY FACILITIES DISTRICT No. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE)

CITY OF RANCHO CORDOVA

COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

JANUARY 2009, SHEET 1 OF 1




VICINITY MAP

NTS

**CLERK'S MAP STATEMENT**

I HEREBY STATE THAT THE AREA SHOWN ON THIS MAP OF PROPOSED ANNEXATION TO COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE), CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AT A REGULAR MEETING THEREOF, HELD ON THE 6th DAY OF OCTOBER 2008, BY ITS RESOLUTION No. 108-2008.

Cindy Cupper
CITY CLERK OF THE CITY OF RANCHO CORDOVA

**CLERK'S MAP FILING STATEMENT**

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF RANCHO CORDOVA THIS 20th DAY OF January, 2009.

Cindy Cupper
CITY CLERK OF THE CITY OF RANCHO CORDOVA

**COUNTY RECORDER'S FILING STATEMENT**

FILED THIS 21st DAY OF JANUARY, 2009, AT THE HOUR OF 10:24 O'CLOCK A.M. IN BOOK 110 OF MAPS OF ASSESSMENT DISTRICTS AND COMMUNITY FACILITIES DISTRICTS AT PAGE 08 13 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

FREDERICK B. GREEN
~~CRAIG A. KRAMER~~
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA.

BY: _____ DEPUTY

FILE: BK 20090121 Pg. 0720

REFERENCE IS MADE TO THE ORIGINAL BOUNDARY MAP OF THE DISTRICT, ENTITLED AND RECORDED AS FOLLOWS:

"PROPOSED BOUNDARIES OF THE COUNTY OF SACRAMENTO COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE) AND FUTURE ANNEXATION AREA, RECORDED ON OCTOBER 14, 2008 IN BOOK 110 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE 12, IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, CALIFORNIA."

REFERENCE IS MADE TO THE FUTURE ANNEXATION AREA MAP OF THE DISTRICT, ENTITLED AND RECORDED AS FOLLOWS:

"PROPOSED FUTURE ANNEXATION AREA OF THE COUNTY OF SACRAMENTO COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE) AND FUTURE ANNEXATION AREA, RECORDED ON OCTOBER 14, 2008 IN BOOK 110 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE 12, IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, CALIFORNIA."

P:\Public Works\Programming Grants & Finance\Special Districts\Boundary Maps\2008-1 (Target)\Target (Bld 1).dwg 1/20/09 6:10pm bchan

**EXHIBIT 3**

**RECORDING REQUESTED BY AND**
**AFTER RECORDATION RETURN TO:**

**City Clerk**
**City of Rancho Cordova**
**2729 Prospect Park Drive**
**Rancho Cordova, California 95670**

## NOTICE OF SPECIAL TAX LIEN

## CITY OF RANCHO CORDOVA
## Community Facilities District No. 2008-1
## (Street Lighting and Road Maintenance)

Pursuant to the requirements of Section 3114.5 of the Streets and Highways Code of California and the Mello-Roos Community Facilities Act of 1982, as amended, section 53311, *et. seq.*, of the California Government Code (the "Act"), the undersigned City Clerk of the City of Rancho Cordova, State of California, hereby gives notice that a lien to secure payment of a special tax is hereby imposed by the City Council of the City of Rancho Cordova, County of Sacramento. The special tax secured by this lien is authorized to be levied for the purpose providing certain public services described in **Exhibit A** attached hereto and hereby made a part hereof.

The special tax is authorized to be levied within Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) (the "CFD") which has now been officially formed and the lien of the special tax is a continuing lien which shall secure each annual levy of the special tax and which shall continue in force and effect until the special tax obligation is prepaid, permanently satisfied, and canceled in accordance with law or until the special tax ceases to be levied and a notice of cessation of special tax is recorded in accordance with section 53330.5 of the Government Code.

The rate, method of apportionment, and manner of collection of the authorized special tax is as set forth in **Exhibit B** attached hereto and hereby made a part hereof. Conditions under which the obligation to pay the special tax may be prepaid and permanently satisfied and the lien of the special tax canceled are: None.

Notice is further given that upon the recording of this notice in the office of the County Recorder of the County of Sacramento, the obligation to pay the special tax levy shall become a lien upon all nonexempt real property within the CFD in accordance with Section 3115.5 of the Streets and Highways Code of California.

The name(s) of the owner(s) and the assessor's tax parcel numbers of the real property included within the area of the CFD and not exempt from the special tax are as set forth in **Exhibit C** attached hereto and hereby made a part hereof.

Reference is made to the boundary map of the CFD recorded at Book 110 of Maps of Assessment and Community Facilities Districts at Page 10 (Document No. 20081014-0822), in the office of the County Recorder for the County of Sacramento, State of California, which map is now the final boundary map of the CFD, and Annexation Map No. 1, recorded at Book 110 of Maps of Assessment and Community Facilities Districts at Page 0013 (Document No. 20090121-0720), in the office of the County Recorder for the County of Sacramento, State of California, which is the map of the above referenced parcel annexed to the District. The original boundary map along with the recorded annexation map now comprise the boundary map of the District.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Chief Financial Officer of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California 95670; telephone number (916) 851-8700.

Dated: As of _____, 2009

By: _____
Mindy Cuppy, City Clerk
City of Rancho Cordova

**EXHIBIT A**

# CITY OF RANCHO CORDOVA
# Community Facilities District No. 2008-1
# (Street Lighting and Road Maintenance)

## DESCRIPTION OF DISTRICT SERVICES

**Maintenance and lighting of public streets and roads**

- Maintenance means the furnishing of services and materials for the ordinary and usual operation, maintenance and servicing of the street improvements, the street-lighting network, dedicated easements, and appurtenant facilities, and administration and overhead of all aspects of the District.

**Reserve Fund**

- The Special Taxes may be collected and set-aside in designated funds, collected over several years, that may be used by the District to fund future repairs to street lighting and roadway improvements and other services as determined by the District.

**EXHIBIT B**

**CITY OF RANCHO CORDOVA**
**COMMUNITY FACILITIES DISTRICT NO. 2008-1**
**(STREET LIGHTING AND ROAD MAINTENANCE)**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

---

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2008-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2008-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 2008-1 unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

## A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

**"Acreage"** or **"Acre"** means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map or other parcel map recorded at the County Recorder's Office.

**"Additional Load and Decorative Lighting Parcel"** means any Parcel that is determined by the City to be both an Additional Load Parcel and a Decorative Lighting Parcel.

**"Additional Load Parcel"** means any Parcel of Commercial Property or Industrial Property that is determined by the City to create excessive wear and tear on the roadways and/or a high volume of vehicular traffic.

**"Administrative Expenses"** means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports, and any other costs required to administer the CFD.

**"Administrator"** means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

**"Assessor's Parcel"** or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

**"Assessor's Parcel Map"** means an official map of the County Assessor designating parcels by Assessor's Parcel number.

**"Authorized Services"** means the public services authorized to be funded by CFD No. 2008-1 as set forth in the documents adopted by the City Council when the CFD was formed.

**"CFD"** or **"CFD No. 2008-1"** means the City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance).

**"City"** means the City of Rancho Cordova.

**"City Council"** means the City Council of the City of Rancho Cordova, acting as the legislative body of CFD No. 2008-1.

**"Commercial Property"** means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for a commercial establishment which includes, but is not limited to, retail stores, clothing stores, book stores, video rental stores, drug stores, professional services (i.e., barber shops, dry cleaners), restaurants, supermarkets, hospitals, movie theaters, appliance and electronic stores, home supply stores, auto parts stores, and other businesses providing auto-related products and services. The City shall make the determination if a Parcel is Commercial Property.

**"County"** means the County of Sacramento.

**"Decorative Lighting Parcel"** means any Parcel of Developed Property that is determined by the City to have or benefit from decorative lighting features.

**"Developed Property"** means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential or non-residential structure (which shall not include a permit issued solely for construction of the foundation if another permit remains to be issued for vertical construction of the building) was issued prior to June 30 of the preceding Fiscal Year.

**"Fiscal Year"** means the period starting on July 1 and ending on the following June 30.

**"Hotel Property"** means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for a structure that constitutes a place of lodging providing sleeping accommodations and related facilities for travelers.

**"Industrial Property"** means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for construction of an industrial, manufacturing, or warehousing structure. The City shall make the determination if a Parcel is Industrial Property.

**"Maximum Special Tax"** means the greatest amount of Special Tax that can be levied on an Assessor's Parcel in any Fiscal Year determined in accordance with Section C below.

**"Multi-Family Property"** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for construction of a residential structure with five or more Units that share a single Assessor's Parcel number, all of which are offered for rent to the general public and cannot be purchased by individual homebuyers.

**"Non-Residential Property"** means, collectively, Commercial Property, Hotel Property, Industrial Property, and Office Property.

**"Office Property"** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for a building in which professional, banking, insurance, real estate, administrative or in-office medical or dental activities are conducted. The City shall make the determination if a Parcel is Office Property.

**"Ordinary Use Parcel"** means any Parcel of Taxable Property that is not an Additional Load Parcel, Decorative Lighting Parcel, Residential Alley Parcel, Additional Load and Decorative Lighting Parcel, or Residential Alley and Decorative Lighting Parcel.

**"Proportionately"** means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Parcels of Developed Property.

**"Public Property"** means any property within the boundaries of CFD No. 2008-1 that is owned by the federal government, State of California, County, City, or other public agency.

**"Residential Alley and Decorative Lighting Parcel"** means any Parcel that is determined by the City to be both a Residential Alley Parcel and a Decorative Lighting Parcel.

**"Residential Alley Parcel"** means any Parcel of Residential Property that is determined by the City to have residential alleys that are part of the public roadways.

**"Residential Property"** means, collectively, Single Family Attached Property, Single Family Detached Property, and Multi-Family Property.

**"Single Family Attached Property"** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor's Parcel numbers assigned to them (except for a duplex unit, which may share an Assessor's Parcel with another duplex unit), and are offered as for-sale Units (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit(s)), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

**"Single Family Detached Property"** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a Unit that does not share a common wall with another Unit.

**"Special Tax Requirement"** means the amount of revenue needed in any Fiscal Year to pay for the following: (i) Authorized Services, (ii) Administrative Expenses, and (iii) amounts needed to cure any delinquencies in the payment of Special Taxes which have occurred or (based on delinquency rates in prior years) may be expected to occur in the Fiscal Year in which the tax will be collected.

**"Special Tax"** means a special tax levied in any Fiscal Year on property within CFD No. 2008-1 to pay the Special Tax Requirement.

**"Square Foot," "Square Footage,"** or **"Square Feet"** means the building square footage reflected on the original building permit issued for construction of a building.

**"Taxable Property"** means all Assessor's Parcels within the boundaries of CFD No. 2008-1 which are not exempt from the Special Tax pursuant to law or Section E below.

**"Taxable Public Property"** means, in any Fiscal Year, all Assessor's Parcels in CFD No. 2008-1 that had, in prior Fiscal Years, been taxed as Developed Property and subsequently came under the ownership of a public agency.

**"Tax Zone"** means one of the three mutually exclusive tax zones identified in Attachment 1 of this Rate and Method of Apportionment of Special Tax, as may be updated to include new Parcels or new tax zones added to the CFD as a result of future annexations.

**"Tax Zone 1"** means the geographic area that is identified by Assessor's Parcel number in Attachment 1 of this Rate and Method of Apportionment of Special Tax as Tax Zone 1 and any property annexed into Tax Zone 1 after formation of the CFD.

**"Tax Zone 2"** means the geographic area that is identified by Assessor's Parcel number in Attachment 1 of this Rate and Method of Apportionment of Special Tax as Tax Zone 2 and any property annexed into Tax Zone 2 after formation of the CFD.

**"Tax Zone 3"** means the geographic areas that are identified by Assessor's Parcel number in Attachment 1 of this Rate and Method of Apportionment of Special Tax as Tax Zone 3 and any property annexed into Tax Zone 3 after formation of the CFD.

**"Unit"** means an individual single-family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure. Unit shall also mean a single room or unit on a Parcel of Hotel Property.

## B. DATA COLLECTION FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor's Parcel number for all Parcels of Taxable Property within CFD No. 2008-1 and shall determine within which Tax Zone each Assessor's Parcel is located. Upon each annexation of property into CFD No. 2008-1, the Administrator shall update Attachment 1 to include the new Assessor's Parcel number(s). In addition, for all Parcels of Developed Property, if applicable to the Tax Zone in which the

Parcels are located, the Administrator shall determine if each Parcel is an Ordinary Use Parcel, an Additional Load Parcel, a Residential Alley Parcel, a Decorative Lighting Parcel, an Additional Load and Decorative Lighting Parcel, or a Residential Alley and Decorative Lighting Parcel.

Based on review of building permit records for property within the CFD, the Administrator shall determine which Parcels in the CFD are Developed Property for purposes of levying the Special Tax pursuant to Section D below. For Single Family Attached Property, Multi-Family Property, and Hotel Property, the number of Units shall be determined by referencing the condominium plan, apartment plan, site plan or other development plan for the property. For Residential Property, the Administrator shall determine the Square Footage of each Unit. For Non-Residential Property, the Administrator shall determine the Acreage of, and Square Footage on, each Parcel.

If a Parcel in the CFD is rezoned prior to such Parcel becoming Developed Property, the City may in its sole discretion, move the Parcel to a different Tax Zone based on the rezone. If a Parcel rezones after the Parcel has been taxed as Developed Property in prior Fiscal Years, the City can either continue to apply the Maximum Special Tax to the Parcel that had applied prior to the rezone or, in the City's sole discretion, allow for the Parcel to be moved to a different Tax Zone based on the rezone.

In any Fiscal Year, if it is determined that (i) a parcel map for a portion of property in CFD No. 2008-1 was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels meets the definition of Developed Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the parcel map by determining the Special Tax that applies separately to each newly-created Parcel, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

## C. MAXIMUM SPECIAL TAX

### 1. Tax Zone 1

The Maximum Special Tax for a Parcel of Developed Property in Tax Zone 1 for Fiscal Year 2008-09 shall be $0.0771 per Square Foot. On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

## 2. Tax Zone 2

The Maximum Special Tax for a Parcel of Developed Property in Tax Zone 2 for Fiscal Year 2008-09 shall be $0.0211 per Square Foot. On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

## 3. Tax Zone 3

The following Maximum Special Taxes apply to all Parcels of Developed Property within Tax Zone 3 of CFD No. 2008-1:

### *a. Ordinary Use Parcels*

**MAXIMUM SPECIAL TAXES**
**ORDINARY USE PARCELS**
**(FISCAL YEAR 2008-09)**

| Land Use Class | Square Footage | Maximum Special Tax |
|---|---|---|
| Single Family Detached Property | Units greater than 1,200 Square Feet | $335.81 per Unit |
| Single Family Detached Property | Units less than or equal to 1,200 Square Feet | $295.51 per Unit |
| Single Family Attached Property | Units greater than 1,200 Square Feet | $295.51 per Unit |
| Single Family Attached Property | Units less than or equal to 1,200 Square Feet | $235.06 per Unit |
| Multi-Family Property | N/A | $235.06 per Unit |
| Commercial Property | N/A | The greater of $973.30 per Acre or $0.0944 per Square Foot |
| Hotel Property | N/A | The greater of $2,688.49 per Acre or $56.98 per Unit |
| Industrial Property | N/A | The greater of $222.20 per Acre or $0.0351 per Square Foot |
| Office Property | N/A | The greater of $851.74 per Acre or $0.0827 per Square Foot |

*On each January 1, commencing January 1, 2009, the Maximum Special Taxes shown above shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.*

*b. Residential Alley Parcels*

**MAXIMUM SPECIAL TAXES**
**RESIDENTIAL ALLEY PARCELS**
**(FISCAL YEAR 2008-09)**

| Land Use Class | Square Footage | Maximum Special Tax |
|---|---|---|
| Single Family Detached Property | Units greater than 1,200 Square Feet | $463.41 per Unit |
| Single Family Detached Property | Units less than or equal to 1,200 Square Feet | $407.80 per Unit |
| Single Family Attached Property | Units greater than 1,200 Square Feet | $407.80 per Unit |
| Single Family Attached Property | Units less than or equal to 1,200 Square Feet | $324.39 per Unit |
| Multi-Family Property | N/A | $324.39 per Unit |
| Commercial Property | N/A | N/A |
| Hotel Property | N/A | N/A |
| Industrial Property | N/A | N/A |
| Office Property | N/A | N/A |

*On each January 1, commencing January 1, 2009, the Maximum Special Taxes shown above shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.*

*c. Decorative Lighting Parcels*

**MAXIMUM SPECIAL TAXES**
**DECORATIVE LIGHTING PARCELS**
**(FISCAL YEAR 2008-09)**

| Land Use Class | Square Footage | Maximum Special Tax |
|---|---|---|
| Single Family Detached Property | Units greater than 1,200 Square Feet | $360.99 per Unit |
| Single Family Detached Property | Units less than or equal to 1,200 Square Feet | $317.67 per Unit |
| Single Family Attached Property | Units greater than 1,200 Square Feet | $317.67 per Unit |
| Single Family Attached Property | Units less than or equal to 1,200 Square Feet | $252.69 per Unit |
| Multi-Family Property | N/A | $252.69 per Unit |
| Commercial Property | N/A | The greater of $1,046.30 per Acre or $0.1015 per Square Foot |
| Hotel Property | N/A | The greater of $2,890.13 per Acre or $61.25 per Unit |
| Industrial Property | N/A | The greater of $238.87 per Acre or $0.0377 per Square Foot |
| Office Property | N/A | The greater of $915.62 per Acre or $0.0889 per Square Foot |

*On each January 1, commencing January 1, 2009, the Maximum Special Taxes shown above shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.*

*d. Additional Load Parcels*

**MAXIMUM SPECIAL TAXES**
**ADDITIONAL LOAD PARCELS**
**(FISCAL YEAR 2008-09)**

| Land Use Class | Square Footage | Maximum Special Tax |
|---|---|---|
| Single Family Detached Property | Units greater than 1,200 Square Feet | N/A |
| Single Family Detached Property | Units less than or equal to 1,200 Square Feet | N/A |
| Single Family Attached Property | Units greater than 1,200 Square Feet | N/A |
| Single Family Attached Property | Units less than or equal to 1,200 Square Feet | N/A |
| Multi-Family Property | N/A | N/A |
| Commercial Property | N/A | The greater of $1,216.63 per Acre or $0.1180 per Square Foot |
| Hotel Property | N/A | N/A |
| Industrial Property | N/A | The greater of $277.75 per Acre or $0.0439 per Square Foot |
| Office Property | N/A | N/A |

*On each January 1, commencing January 1, 2009, the Maximum Special Taxes shown above shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.*

*e. Additional Load and Decorative Lighting Parcels*

**MAXIMUM SPECIAL TAXES**
**ADDITIONAL LOAD AND DECORATIVE LIGHTING PARCELS**
**(FISCAL YEAR 2008-09)**

| Land Use Class | Square Footage | Maximum Special Tax |
|---|---|---|
| Single Family Detached Property | Units greater than 1,200 Square Feet | N/A |
| Single Family Detached Property | Units less than or equal to 1,200 Square Feet | N/A |
| Single Family Attached Property | Units greater than 1,200 Square Feet | N/A |
| Single Family Attached Property | Units less than or equal to 1,200 Square Feet | N/A |
| Multi-Family Property | N/A | N/A |
| Commercial Property | N/A | The greater of $1,289.63 per Acre or $0.1251 per Square Foot |
| Hotel Property | N/A | N/A |
| Industrial Property | N/A | The greater of $294.42 per Acre or $0.0465 per Square Foot |
| Office Property | N/A | N/A |

*On each January 1, commencing January 1, 2009, the Maximum Special Taxes shown above shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.*

*f.* ***Residential Alley and Decorative Lighting Parcels***

**MAXIMUM SPECIAL TAXES**
**RESIDENTIAL ALLEY AND DECORATIVE LIGHTING PARCELS**
**(FISCAL YEAR 2008-09)**

| Land Use Class | Square Footage | Maximum Special Tax |
|---|---|---|
| Single Family Detached Property | Units greater than 1,200 Square Feet | $488.60 per Unit |
| Single Family Detached Property | Units less than or equal to 1,200 Square Feet | $429.97 per Unit |
| Single Family Attached Property | Units greater than 1,200 Square Feet | $429.97 per Unit |
| Single Family Attached Property | Units less than or equal to 1,200 Square Feet | $342.02 per Unit |
| Multi-Family Property | N/A | $342.02 per Unit |
| Commercial Property | N/A | N/A |
| Hotel Property | N/A | N/A |
| Industrial Property | N/A | N/A |
| Office Property | N/A | N/A |

*On each January 1, commencing January 1, 2009, the Maximum Special Taxes shown above shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.*

## D. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Special Tax shall be levied as follows until the amount of the levy equals the Special Tax Requirement for that Fiscal Year:

***First:*** The Special Tax shall be levied proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax determined for each category of Developed Property within each Tax Zone until the amount levied is equal to the Special Tax Requirement for the Fiscal Year.

***Second:*** If additional revenue is needed after the first step has been completed, the Special Tax shall be levied proportionately on each Parcel of Taxable Public Property up to 100% of the Maximum Special Tax that would have

applied to the Parcel had the Parcel not become Public Property until the amount levied is equal to the Special Tax Requirement for the Fiscal Year.

The Special Tax for CFD No. 2008-1 shall be collected at the same time and in the same manner as ordinary ad valorem property taxes provided, however, that the City may (under the authority of Government Code Section 53340) collect Special Taxes at a different time or in a different manner if necessary to meet CFD No. 2008-1 financial obligations and the Special Tax shall be equally subject to foreclosure if delinquent.

## E. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on (i) any Parcel of Public Property that is not Taxable Public Property, and (ii) any Parcel in CFD No. 2008-1 that is not Developed Property.

## F. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Taxes. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. The City may make interpretations by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Taxes.

ATTACHMENT 1

CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT 2008-1
(STREET LIGHTING AND ROAD MAINTENANCE)

IDENTIFICATION OF TAX ZONES

| Tax Zone | Assessor's Parcels Included in Tax Zone * | Fiscal Year In Which Property Was Added to CFD No. 2008-1 |
|---|---|---|
| 1 | 077-0050-085 | 2008-09 |
| 2 | 067-0010-060 | 2008-09 |
| 3 | 067-0990-001 | 2008-09 |
| | 067-1000-001 | 2008-09 |
| | 072-0500-040 | 2008-09 |
| | 072-0500-041 | 2008-09 |

** The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs.*

**EXHIBIT C**

**CITY OF RANCHO CORDOVA**
**COMMUNITY FACILITIES DISTRICT NO. 2008-1**
**(STREET LIGHTING AND ROAD MAINTENANCE)**

**ASSESSOR'S PARCEL NUMBERS AND OWNERS OF LAND WITHIN COMMUNITY FACILITIES DISTRICT**

| Assessor's Parcel No. | Names of Property Owners |
|---|---|
| Tax Zone 1: 077-0050-085-0000 | JPI XXIX, L.P. |
| Tax Zone 2: 067-0010-060-0000 | Sacramento Medical Foundation |
| Tax Zone 3: 072-0500-040-0000 | Brian Porter |
| 072-0500-041-0000 | Brian Porter |
| 067-1000-001-0000 | Mather Development Partners III, L.P. |
| 067-0990-001-0000 | Mather Development Partners III, L.P. |
| 056-0222-002-0000 | Alcides A. Gonzalez Trust |
| 077-0050-014-0000 | Hoang Tran |
| 072-0280-076-0000 | Target Corporation |
| 072-0280-092-0000 | Target Corporation |
| 072-0280-093-0000 | Target Corporation |

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.0 LARGE LOT MAP OF NORTH DOUGLAS AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

## RECOMMENDATION

Adopt Resolution No. 21-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of Resolution No. 21-2009 will result in the City Council approving the substitution of the developer for the Subdivision Improvement Agreement **(Exhibit A)** for Subdivision No. RC-03-002.0 Large Lot Map of North Douglas executed by MS Rialto Residential Holdings, LLC. This will guarantee the completion of the public improvements by providing adequate security and warranty.

## BACKGROUND

The original Subdivision Improvement Agreement (Agreement) was entered into with the City by US Home/KB North Douglas, LLC. The property is now in the ownership of MS Rialto North Douglas CA, LLC. The public improvements associated with the Agreement are approximately 80% complete. MS Rialto North Douglas CA, LLC is requesting the substitution of developer for the improvement agreement. Additionally, they have submitted a new executed performance bond and labor and material bond to ensure the completion of the public improvements.

Pursuant to Government Code Section 66499.7 (d) the original performance bonds have been reduced and may be substituted subject to approval of the local agency. The Public Works Department will release the original bonds to US Home/KB North Douglas CA, LLC upon the approval of the substituted Improvement Agreement.

## ATTACHMENT

Resolution No. 21-2009 including **(Exhibit A)** Subdivision Improvement Agreement.

**AGENDA ITEM 8.4**

# CITY OF RANCHO CORDOVA

## RESOLUTION NO. 21-2009

### A RESOLUTION OF THE CITY COUNCIL APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.0 LARGE LOT MAP OF NORTH DOUGLAS AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT

**WHEREAS**, a Subdivision Improvement Agreement ("original Agreement") for Subdivision No. RC-03-002.0 Large Lot Map of North Douglas was originally approved by City Council on February 21, 2006 by Resolution No. 17-2006; and

**WHEREAS**, the original Agreement was entered into with US Home/KB North Douglas, LLC, which was the owner of the property at that time; and

**WHEREAS**, since the original Agreement, US Home/KB North Douglas, LLC has sold their interest in the property to MS Rialto North Douglas CA, LLC; and

**WHEREAS**, currently, the public improvements required by the original Agreement are approximately 80% complete (Public Improvements); and

**WHEREAS,** MS Rialto Residential Holdings, LLC has provided the performance bonds and labor and material bonds required to complete the Public Improvements; and

**WHEREAS**, upon adoption of this resolution and the execution of the new Subdivision Improvement Agreement, the original Agreement and bonds provided by US Home/KB North Douglas, LLC shall no longer be valid and terminated.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** as follows:

A. The City Council approves the substitution of developer for the subdivision improvement agreement related to Subdivision No. RC-03-002.0 Large Lot Map of North Douglas from US Home/KB North Douglas, LLC to MS Rialto North Douglas CA, LLC; and

B. The Mayor is authorized to execute the Subdivision Improvement Agreement with MS Rialto North Douglas CA, LLC in substantially the form set forth in **Exhibit A**; and

C. The City Council authorizes staff to perform all necessary actions needed to carry out the purpose of this resolution.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT A**

# SUBDIVISION IMPROVEMENT AGREEMENT

**THIS AGREEMENT** entered into this _____ day of _____, 2___, by and between the City of Rancho Cordova, (hereinafter "City"), and **MS RIALTO NORTH DOUGLAS CA, LLC, a Delaware limited liability company** hereinafter "Principal").

## RECITALS

**WHEREAS,** Section 66462 of the Government Code provides that if the work of improvement required therein is not completed prior to the acceptance of a final subdivision map, the owner of the subdivision may enter into an agreement with the City to perform the work of improvement as required by said sections in consideration of the acceptance of said final subdivision map by the City; and

**WHEREAS,** Section 66499 of the Government Code requires that said Agreement be secured by a surety bond or by an instrument of credit issued by a financial institution subject to regulation by the State or federal governments or by a cash deposit; and

**WHEREAS,** Section 66499.3 establishes the types and amount of security to guarantee the performance of any such improvement agreement; and

**WHEREAS,** City and Principal desire to enter into an improvement agreement as authorized by the Subdivision Map Act under the terms and conditions hereinafter set forth.

**NOW, THEREFORE,** in consideration of the mutual promises, conditions and covenants hereinafter set forth, City and Principal agree as follows:

1. **Incorporation of Recitals**. The foregoing recitals are hereby incorporated by reference.

2. **Findings and Conditions of Subdivision Map**. Principal recognizes that approval of his subdivision was subject to the findings and conditions attached to such approval and hereby acknowledges and agrees to be bound by such findings and conditions.

3. **City Approval of Subdivision Map**. City agrees to approve the final map of the subdivision presented to it by Principal and designated **Subdivision No. RC-03-002.0 Large Lot Map of North Douglas,** and to accept on behalf of the public all lands, rights of way and easements therein offered in dedication, in accordance with the conditions hereinafter set forth.

4. **Completion of Improvements**. In consideration of such approval, Principal agrees to complete the work of improvement required for said subdivision in accordance with the requirements of the Rancho Cordova City Code and such standard specifications created by applicable City ordinances or resolutions which are in effect at the time of the installation of said improvements. The work required may lie within or outside the subdivision and must be completed within **24** months of the date of this agreement.

5. **Payment For Services**. Principal further agrees to promptly pay, when due, all costs for plan checking, inspection services and material testing performed by City pursuant to the requirements of Sections 12.03.210 et. seq. of the Rancho Cordova City Code.

6. **Sunridge Specific Plan Fee**. Principal acknowledges that the City is in the process of adopting one or more fees and/or financing mechanisms in order to implement provisions of the Sunridge Specific Plan, and that as of the time of recordation of the Final Map, these fees and/or financing mechanisms are not yet in effect. Principal acknowledges and agrees that with the exception of model homes, no building permits for any residential or non-residential structure shall be issued for any lot within the Final Map unless and until such fees have been approved by the City.

7. **Park Renovation Fee**. Principal acknowledges that the City has adopted a fee for the purpose of renovating existing parks in the amount of $733 per single family lot within the Final Map ("Park Renovation Fee"). Principal acknowledges and agrees that such fee will be paid prior to the issuance of a building permit for the respective lot.

8. **Acceptance of Improvements**. Upon satisfactory

completion of all public improvements in accordance with standard specifications created by City ordinances or resolutions which are in effect at the time of the installation of said improvements, City agrees to accept for maintenance the work of improvement within the dedicated parcels shown on said final subdivision map, and any off site easements granted, subject to the provisions of paragraph 8 hereof.

**9. Notice of Commencement of Work.** Principal shall notify the City Engineer in writing of the commencement of the work of improvements.

**10. Correction of Defects.** Principal agrees to remedy any defects in the improvement arising from faulty or defective construction of said improvements occurring within twelve months after acceptance thereof by City.

**11. Indemnity.** Principal shall indemnify and hold harmless City from any and all loss, damage or liability arising out of or resulting from Principal's performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, servants and employees. Principal shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings arising out of or resulting from the performance or nonperformance of this Agreement, that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgment that may be rendered against the City in any such action, suit or legal proceedings, or result thereof, regardless whether caused in part by a party indemnified hereunder.

**12. Extension of Completion Date.** If the construction of the work or improvement should be delayed without fault of Principal, the time for completion thereof may be extended by City for such period of time as City may deem reasonable.

**13. Improvement Security.** (a) Principal shall obtain and furnish to City an improvement security consisting of a surety bond in favor of City, issued by a corporate surety authorized to do business in the State of California, and in form approved by

City, securing the faithful performance by Principal of the work of improvement required, and also securing the payment of the costs and interest, if any, due under Sections 12.030.210 et seq. of the Rancho Cordova City Code, as provided in Paragraph 5 herein and an additional bond issued by a corporate surety authorized to do business in the State of California, in the amount of not less than 50 percent of the total estimated cost of the improvement, securing payment to contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement.

(b) In lieu of said corporate surety bonds, Principal may furnish an improvement security consisting of a letter of credit, certificate of deposit, or similar instrument of credit, in form satisfactory to City, issued by a financial institution subject to regulation by the State or Federal government, pledging that the funds necessary to meet the performance required herein are on deposit, and guaranteed for payment on demand. Said letter of credit, certificate of deposit, or similar instrument of credit shall provide that the funds designated therein shall become trust funds for the purposes set forth in said instrument.

(c) The failure of Principal to commence the required work of improvements, or to complete the same within the time required after commencement thereof, shall entitle City to the full payment of the security, or so much thereof as may be necessary to complete the required work of improvement. The amount of the surety bond for faithful performance shall be in the sum of **$2,662,200.00**. The amount of the surety bond for the payment of the claims of the contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement shall be at least 50 percent of the above amount. The letter of credit, certificate of deposit or similar instrument of credit, or cash deposit for faithful performance, shall be in the above amount plus an additional 50 percent for the purposes set forth herein.

**14. Improvement Security As Condition Precedent.** The furnishing of the improvement security by Principal as required

by paragraph 11 hereof shall be a condition precedent to acceptance by City of the above described real property and the performance by the City of the covenants herein on its part to be performed.

**15. Inspection of Work In Progress.** (a) Principal may request The City Engineer to inspect the work as it progresses. If the work performed is found to be in accordance with the requirements of City, it may be accepted as it progresses and a partial refund of the cash deposit, or a release pro tanto of the faithful performance bond, letter of credit, certificate of deposit or similar instrument of credit shall be made in a sum in the same ratio to the total deposit as the work accepted bears to the total work to be done. No refund in excess of 85 percent of the total amount of the improvement security for faithful performance shall be made until all the work has been completed and accepted.

(b) The determination of the Administrator of Public Works of City as to the amount of work done, and the amount of refund or partial release pro tanto, shall be final and conclusive. When the work of improvement is accepted, 10 percent of the improvement security shall be retained to guarantee faithful performance of the provisions of paragraph 8 of this Agreement.

(c) Improvement security given to secure payment to contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the work of improvement may, six months after completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which an action has been filed, and notice thereof given in writing to City, and if there are no actions filed, such improvement security may be released in full.

**16. Execution By Real Party In Interest.** Where title to the subdivision property is held by the record owner thereof under a holding Agreement, this Agreement and the bond given pursuant thereto must be executed by the real party or parties in interest.

**17. Waiver of Civil Code Section 2819.** Any extension of

time hereunder shall not operate to release the surety on the bond filed pursuant to this Agreement. In this connection the surety waives the provisions of Section 2819 of the Civil Code of the State of California.

**18. City Construction of Improvements.** In the event that all or any portion of the works of improvement contemplated herein are proposed to be constructed by street improvement proceedings under the control of City, the undertaking of such proceedings shall in no way relieve Principal of any duties under this Agreement, except where all of the works of improvement that are required under this Agreement have in fact been constructed and accepted by City.

**19. Interest.** Interest shall accrue at the highest rate permitted by law on all sums from the date payment is due under the terms of this agreement and the sum due is certain or reasonably capable of being made certain.

**20. Attorneys' Fees.** In the event that it is necessary for the City to enforce the obligations secured by the improvement security furnished pursuant to Paragraph 11 hereof, the City shall be entitled to recover its costs and reasonable expenses and fees, including reasonable attorneys' fees, as provided for in Government Code Section 66499.4.

**21. Amendments.** This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by the parties hereto.

**22. Entire Agreement.** This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supercedes all prior negotiations, representations or agreements, oral or written, that may be related to the subject matter of this Agreement.

**23. Construction and Interpretation.** It is agreed and acknowledged by the Principal that the provisions of this Agreement have been arrived at through negotiation, and that the Principal has had a full and fair opportunity to revise the

provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**24. Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

**25. Time.** Time is of the essence in the performance of each and every term of this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first above written.

CITY OF RANCHO CORDOVA

By_____
MAYOR

CITY(SEAL)

ATTEST: _____
Clerk of the City Council

PRINCIPAL

By: MS RIALTO RESIDENTIAL HOLDINGS, LLC, a Delaware limited liability company, its member

By: MSR HOLDING COMPANY, LLC, a Delaware limited liability company, its member

By: LENNAR HOMES OF CALIFORNIA, a California corporation, its California manager

By:_____
Name :_____
Title: _____

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.1 NORTH DOUGLAS VILLAGE 1 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

## RECOMMENDATION

Adopt Resolution No. 22-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of Resolution No. 22-2009 will result in the City Council approving the substitution of the developer for the Subdivision Improvement Agreement **(Exhibit A)** for Subdivision No. RC-03-002.1 North Douglas Village 1 executed by MS Rialto Residential Holdings, LLC. This will guarantee the completion of the public improvements by providing adequate security and warranty.

## BACKGROUND

The original Subdivision Improvement Agreement (Agreement) was entered into with the City by US Home/KB North Douglas, LLC. The property is now in the ownership of MS Rialto North Douglas CA, LLC. The public improvements associated with the Agreement are approximately 80% complete. MS Rialto North Douglas CA, LLC is requesting the substitution of developer for the improvement agreement. Additionally, they have submitted a new executed performance bond and labor and material bond to ensure the completion of the public improvements.

Pursuant to Government Code Section 66499.7 (d) the original performance bonds have been reduced and may be substituted subject to approval of the local agency. The Public Works Department will release the original bonds to US Home/KB North Douglas CA, LLC upon the approval of the substituted Improvement Agreement.

## ATTACHMENT

Resolution No. 22-2009 including **(Exhibit A)** Subdivision Improvement Agreement.

**AGENDA ITEM 8.5**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 22-2009**

**A RESOLUTION OF THE CITY COUNCIL APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.1 NORTH DOUGLAS VILLAGE 1 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

**WHEREAS**, a Subdivision Improvement Agreement ("original Agreement") for Subdivision No. RC-03-002.1 North Douglas Village 1 was originally approved by City Council on April 17, 2006 by Resolution No. 36-2006; and

**WHEREAS**, the original Agreement was entered into with US Home/KB North Douglas, LLC, which was the owner of the property at that time; and

**WHEREAS**, since the original Agreement, US Home/KB North Douglas, LLC has sold their interest in the property to MS Rialto North Douglas CA, LLC; and

**WHEREAS**, currently, the public improvements required by the original Agreement are approximately 80% complete (Public Improvements); and

**WHEREAS**, MS Rialto Residential Holdings, LLC has provided the performance bonds and labor and material bonds required to complete the Public Improvements; and

**WHEREAS**, upon adoption of this Resolution and the execution of the new Subdivision Improvement Agreement, the original Agreement and bonds provided by US Home/KB North Douglas, LLC shall no longer be valid and terminated.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** as follows:

A. The City Council approves the substitution of developer for the subdivision improvement agreement related to Subdivision No. RC-03-002.1 North Douglas Village 1 from US Home/KB North Douglas, LLC to MS Rialto North Douglas CA, LLC; and

B. The Mayor is authorized to execute the Subdivision Improvement Agreement with MS Rialto North Douglas CA, LLC in substantially the form set forth in **Exhibit A**.

C. The City Council authorizes staff to perform all necessary actions needed to carry out the purpose of this resolution.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT A**

# SUBDIVISION IMPROVEMENT AGREEMENT

**THIS AGREEMENT** entered into this _____ day of _____, 2___, by and between the City of Rancho Cordova, (hereinafter "City"), and **MS RIALTO NORTH DOUGLAS CA, LLC, a Delaware limited liability company** hereinafter "Principal").

## RECITALS

**WHEREAS,** Section 66462 of the Government Code provides that if the work of improvement required therein is not completed prior to the acceptance of a final subdivision map, the owner of the subdivision may enter into an agreement with the City to perform the work of improvement as required by said sections in consideration of the acceptance of said final subdivision map by the City; and

**WHEREAS,** Section 66499 of the Government Code requires that said Agreement be secured by a surety bond or by an instrument of credit issued by a financial institution subject to regulation by the State or federal governments or by a cash deposit; and

**WHEREAS,** Section 66499.3 establishes the types and amount of security to guarantee the performance of any such improvement agreement; and

**WHEREAS,** City and Principal desire to enter into an improvement agreement as authorized by the Subdivision Map Act under the terms and conditions hereinafter set forth.

**NOW, THEREFORE,** in consideration of the mutual promises, conditions and covenants hereinafter set forth, City and Principal agree as follows:

1. **Incorporation of Recitals**. The foregoing recitals are hereby incorporated by reference.

2. **Findings and Conditions of Subdivision Map**. Principal recognizes that approval of his subdivision was subject to the findings and conditions attached to such approval and hereby acknowledges and agrees to be bound by such findings and conditions.

3. **City Approval of Subdivision Map**. City agrees to approve the final map of the subdivision presented to it by Principal and designated **Subdivision No. RC-03-002.1 North Douglas Village 1**, and to accept on behalf of the public all lands, rights of way and easements therein offered in dedication, in accordance with the conditions hereinafter set forth.

4. **Completion of Improvements**. In consideration of such approval, Principal agrees to complete the work of improvement required for said subdivision in accordance with the requirements of the Rancho Cordova City Code and such standard specifications created by applicable City ordinances or resolutions which are in effect at the time of the installation of said improvements. The work required may lie within or outside the subdivision and must be completed within **24** months of the date of this agreement.

5. **Payment For Services**. Principal further agrees to promptly pay, when due, all costs for plan checking, inspection services and material testing performed by City pursuant to the requirements of Sections 12.03.210 et. seq. of the Rancho Cordova City Code.

6. **Sunridge Specific Plan Fee**. Principal acknowledges that the City is in the process of adopting one or more fees and/or financing mechanisms in order to implement provisions of the Sunridge Specific Plan, and that as of the time of recordation of the Final Map, these fees and/or financing mechanisms are not yet in effect. Principal acknowledges and agrees that with the exception of model homes, no building permits for any residential or non-residential structure shall be issued for any lot within the Final Map unless and until such fees have been approved by the City.

7. **Park Renovation Fee**. Principal acknowledges that the City has adopted a fee for the purpose of renovating existing parks in the amount of $733 per single family lot within the Final Map ("Park Renovation Fee"). Principal acknowledges and agrees that such fee will be paid prior to the issuance of a building permit for the respective lot.

8. **Acceptance of Improvements**. Upon satisfactory

completion of all public improvements in accordance with standard specifications created by City ordinances or resolutions which are in effect at the time of the installation of said improvements, City agrees to accept for maintenance the work of improvement within the dedicated parcels shown on said final subdivision map, and any off site easements granted, subject to the provisions of paragraph 8 hereof.

**9. Notice of Commencement of Work.** Principal shall notify the City Engineer in writing of the commencement of the work of improvements.

**10. Correction of Defects.** Principal agrees to remedy any defects in the improvement arising from faulty or defective construction of said improvements occurring within twelve months after acceptance thereof by City.

**11. Indemnity.** Principal shall indemnify and hold harmless City from any and all loss, damage or liability arising out of or resulting from Principal's performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, servants and employees. Principal shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings arising out of or resulting from the performance or nonperformance of this Agreement, that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgment that may be rendered against the City in any such action, suit or legal proceedings, or result thereof, regardless whether caused in part by a party indemnified hereunder.

**12. Extension of Completion Date.** If the construction of the work or improvement should be delayed without fault of Principal, the time for completion thereof may be extended by City for such period of time as City may deem reasonable.

**13. Improvement Security.** (a) Principal shall obtain and furnish to City an improvement security consisting of a surety bond in favor of City, issued by a corporate surety authorized to do business in the State of California, and in form approved by

City, securing the faithful performance by Principal of the work of improvement required, and also securing the payment of the costs and interest, if any, due under Sections 12.030.210 et seq. of the Rancho Cordova City Code, as provided in Paragraph 5 herein and an additional bond issued by a corporate surety authorized to do business in the State of California, in the amount of not less than 50 percent of the total estimated cost of the improvement, securing payment to contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement.

(b) In lieu of said corporate surety bonds, Principal may furnish an improvement security consisting of a letter of credit, certificate of deposit, or similar instrument of credit, in form satisfactory to City, issued by a financial institution subject to regulation by the State or Federal government, pledging that the funds necessary to meet the performance required herein are on deposit, and guaranteed for payment on demand. Said letter of credit, certificate of deposit, or similar instrument of credit shall provide that the funds designated therein shall become trust funds for the purposes set forth in said instrument.

(c) The failure of Principal to commence the required work of improvements, or to complete the same within the time required after commencement thereof, shall entitle City to the full payment of the security, or so much thereof as may be necessary to complete the required work of improvement. The amount of the surety bond for faithful performance shall be in the sum of **$777,800.00.** The amount of the surety bond for the payment of the claims of the contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement shall be at least 50 percent of the above amount. The letter of credit, certificate of deposit or similar instrument of credit, or cash deposit for faithful performance, shall be in the above amount plus an additional 50 percent for the purposes set forth herein.

**14. Improvement Security As Condition Precedent.** The furnishing of the improvement security by Principal as required

by paragraph 11 hereof shall be a condition precedent to acceptance by City of the above described real property and the performance by the City of the covenants herein on its part to be performed.

**15. Inspection of Work In Progress.** (a) Principal may request The City Engineer to inspect the work as it progresses. If the work performed is found to be in accordance with the requirements of City, it may be accepted as it progresses and a partial refund of the cash deposit, or a release pro tanto of the faithful performance bond, letter of credit, certificate of deposit or similar instrument of credit shall be made in a sum in the same ratio to the total deposit as the work accepted bears to the total work to be done. No refund in excess of 85 percent of the total amount of the improvement security for faithful performance shall be made until all the work has been completed and accepted.

(b) The determination of the Administrator of Public Works of City as to the amount of work done, and the amount of refund or partial release pro tanto, shall be final and conclusive. When the work of improvement is accepted, 10 percent of the improvement security shall be retained to guarantee faithful performance of the provisions of paragraph 8 of this Agreement.

(c) Improvement security given to secure payment to contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the work of improvement may, six months after completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which an action has been filed, and notice thereof given in writing to City, and if there are no actions filed, such improvement security may be released in full.

**16. Execution By Real Party In Interest.** Where title to the subdivision property is held by the record owner thereof under a holding Agreement, this Agreement and the bond given pursuant thereto must be executed by the real party or parties in interest.

**17. Waiver of Civil Code Section 2819.** Any extension of

time hereunder shall not operate to release the surety on the bond filed pursuant to this Agreement. In this connection the surety waives the provisions of Section 2819 of the Civil Code of the State of California.

**18. City Construction of Improvements.** In the event that all or any portion of the works of improvement contemplated herein are proposed to be constructed by street improvement proceedings under the control of City, the undertaking of such proceedings shall in no way relieve Principal of any duties under this Agreement, except where all of the works of improvement that are required under this Agreement have in fact been constructed and accepted by City.

**19. Interest.** Interest shall accrue at the highest rate permitted by law on all sums from the date payment is due under the terms of this agreement and the sum due is certain or reasonably capable of being made certain.

**20. Attorneys' Fees.** In the event that it is necessary for the City to enforce the obligations secured by the improvement security furnished pursuant to Paragraph 11 hereof, the City shall be entitled to recover its costs and reasonable expenses and fees, including reasonable attorneys' fees, as provided for in Government Code Section 66499.4.

**21. Amendments.** This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by the parties hereto.

**22. Entire Agreement.** This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supercedes all prior negotiations, representations or agreements, oral or written, that may be related to the subject matter of this Agreement.

**23. Construction and Interpretation.** It is agreed and acknowledged by the Principal that the provisions of this Agreement have been arrived at through negotiation, and that the Principal has had a full and fair opportunity to revise the

provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**24. Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

**25. Time.** Time is of the essence in the performance of each and every term of this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first above written.

CITY OF RANCHO CORDOVA

By_____
MAYOR

CITY(SEAL)

ATTEST: _____
Clerk of the City Council

PRINCIPAL

By: MS RIALTO RESIDENTIAL HOLDINGS, LLC, a Delaware limited liability company, its member

By: MSR HOLDING COMPANY, LLC, a Delaware limited liability company, its member

By: LENNAR HOMES OF CALIFORNIA, a California corporation, its California manager

By:_____
Name :_____
Title: _____

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.2 NORTH DOUGLAS VILLAGE 2 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

## RECOMMENDATION

Adopt Resolution No. 23-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of Resolution No. 23-2009 will result in the City Council approving the substitution of the developer for the Subdivision Improvement Agreement **(Exhibit A)** for Subdivision No. RC-03-002.2 North Douglas Village 2 executed by MS Rialto Residential Holdings, LLC. This will guarantee the completion of the public improvements by providing adequate security and warranty.

## BACKGROUND

The original Subdivision Improvement Agreement (Agreement) was entered into with the City by US Home/KB North Douglas, LLC. The property is now in the ownership of MS Rialto North Douglas CA, LLC. The public improvements associated with the Agreement are approximately 80% complete. MS Rialto North Douglas CA, LLC is requesting the substitution of developer for the improvement agreement. Additionally, they have submitted a new executed performance bond and labor and material bond to ensure the completion of the public improvements.

Pursuant to Government Code Section 66499.7 (d) the original performance bonds have been reduced and may be substituted subject to approval of the local agency. The Public Works Department will release the original bonds to US Home/KB North Douglas CA, LLC upon the approval of the substituted Improvement Agreement.

## ATTACHMENT

Resolution No. 23-2009 including **(Exhibit A)** Subdivision Improvement Agreement.

**AGENDA ITEM 8.6**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 23-2009**

**A RESOLUTION OF THE CITY COUNCIL APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.2 NORTH DOUGLAS VILLAGE 2 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

**WHEREAS**, a Subdivision Improvement Agreement ("original Agreement") for Subdivision No. RC-03-002.2 North Douglas Village 2 was originally approved by City Council on April 17, 2006 by Resolution No. 37-2006; and

**WHEREAS**, the original Agreement was entered into with US Home/KB North Douglas, LLC, which was the owner of the property at that time; and

**WHEREAS**, since the original Agreement, US Home/KB North Douglas, LLC has sold their interest in the property to MS Rialto North Douglas CA, LLC; and

**WHEREAS**, currently, the public improvements required by the original Agreement are approximately 80% complete (Public Improvements); and

**WHEREAS**, MS Rialto Residential Holdings, LLC has provided the performance bonds and labor and material bonds required to complete the Public Improvements; and

**WHEREAS**, upon adoption of this resolution and the execution of the new Subdivision Improvement Agreement, the original Agreement and bonds provided by US Home/KB North Douglas, LLC shall no longer be valid and terminated.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** as follows:

A. The City Council approves the substitution of developer for the subdivision improvement agreement related to Subdivision No. RC-03-002.2 North Douglas Village 2 from US Home/KB North Douglas, LLC to MS Rialto North Douglas CA, LLC; and

B. The Mayor is authorized to execute the Subdivision Improvement Agreement with MS Rialto North Douglas CA, LLC in substantially the form set forth in **Exhibit A**.

C. The City Council authorizes staff to perform all necessary actions needed to carry out the purpose of this resolution.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT A**

# SUBDIVISION IMPROVEMENT AGREEMENT

**THIS AGREEMENT** entered into this _____ day of _____, 2___, by and between the City of Rancho Cordova, (hereinafter "City"), and **MS RIALTO NORTH DOUGLAS CA, LLC, a Delaware limited liability company** hereinafter "Principal").

## RECITALS

**WHEREAS,** Section 66462 of the Government Code provides that if the work of improvement required therein is not completed prior to the acceptance of a final subdivision map, the owner of the subdivision may enter into an agreement with the City to perform the work of improvement as required by said sections in consideration of the acceptance of said final subdivision map by the City; and

**WHEREAS,** Section 66499 of the Government Code requires that said Agreement be secured by a surety bond or by an instrument of credit issued by a financial institution subject to regulation by the State or federal governments or by a cash deposit; and

**WHEREAS,** Section 66499.3 establishes the types and amount of security to guarantee the performance of any such improvement agreement; and

**WHEREAS,** City and Principal desire to enter into an improvement agreement as authorized by the Subdivision Map Act under the terms and conditions hereinafter set forth.

**NOW, THEREFORE,** in consideration of the mutual promises, conditions and covenants hereinafter set forth, City and Principal agree as follows:

1. **Incorporation of Recitals**. The foregoing recitals are hereby incorporated by reference.

2. **Findings and Conditions of Subdivision Map**. Principal recognizes that approval of his subdivision was subject to the findings and conditions attached to such approval and hereby acknowledges and agrees to be bound by such findings and conditions.

3. **City Approval of Subdivision Map**. City agrees to approve the final map of the subdivision presented to it by Principal and designated **Subdivision No. RC-03-002.2 North Douglas Village 2**, and to accept on behalf of the public all lands, rights of way and easements therein offered in dedication, in accordance with the conditions hereinafter set forth.

4. **Completion of Improvements**. In consideration of such approval, Principal agrees to complete the work of improvement required for said subdivision in accordance with the requirements of the Rancho Cordova City Code and such standard specifications created by applicable City ordinances or resolutions which are in effect at the time of the installation of said improvements. The work required may lie within or outside the subdivision and must be completed within **24** months of the date of this agreement.

5. **Payment For Services**. Principal further agrees to promptly pay, when due, all costs for plan checking, inspection services and material testing performed by City pursuant to the requirements of Sections 12.03.210 et. seq. of the Rancho Cordova City Code.

6. **Sunridge Specific Plan Fee**. Principal acknowledges that the City is in the process of adopting one or more fees and/or financing mechanisms in order to implement provisions of the Sunridge Specific Plan, and that as of the time of recordation of the Final Map, these fees and/or financing mechanisms are not yet in effect. Principal acknowledges and agrees that with the exception of model homes, no building permits for any residential or non-residential structure shall be issued for any lot within the Final Map unless and until such fees have been approved by the City.

7. **Park Renovation Fee**. Principal acknowledges that the City has adopted a fee for the purpose of renovating existing parks in the amount of $733 per single family lot within the Final Map ("Park Renovation Fee"). Principal acknowledges and agrees that such fee will be paid prior to the issuance of a building permit for the respective lot.

8. **Acceptance of Improvements**. Upon satisfactory

completion of all public improvements in accordance with standard specifications created by City ordinances or resolutions which are in effect at the time of the installation of said improvements, City agrees to accept for maintenance the work of improvement within the dedicated parcels shown on said final subdivision map, and any off site easements granted, subject to the provisions of paragraph 8 hereof.

**9. Notice of Commencement of Work.** Principal shall notify the City Engineer in writing of the commencement of the work of improvements.

**10. Correction of Defects.** Principal agrees to remedy any defects in the improvement arising from faulty or defective construction of said improvements occurring within twelve months after acceptance thereof by City.

**11. Indemnity.** Principal shall indemnify and hold harmless City from any and all loss, damage or liability arising out of or resulting from Principal's performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, servants and employees. Principal shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings arising out of or resulting from the performance or nonperformance of this Agreement, that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgment that may be rendered against the City in any such action, suit or legal proceedings, or result thereof, regardless whether caused in part by a party indemnified hereunder.

**12. Extension of Completion Date.** If the construction of the work or improvement should be delayed without fault of Principal, the time for completion thereof may be extended by City for such period of time as City may deem reasonable.

**13. Improvement Security.** (a) Principal shall obtain and furnish to City an improvement security consisting of a surety bond in favor of City, issued by a corporate surety authorized to do business in the State of California, and in form approved by

City, securing the faithful performance by Principal of the work of improvement required, and also securing the payment of the costs and interest, if any, due under Sections 12.030.210 et seq. of the Rancho Cordova City Code, as provided in Paragraph 5 herein and an additional bond issued by a corporate surety authorized to do business in the State of California, in the amount of not less than 50 percent of the total estimated cost of the improvement, securing payment to contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement.

(b) In lieu of said corporate surety bonds, Principal may furnish an improvement security consisting of a letter of credit, certificate of deposit, or similar instrument of credit, in form satisfactory to City, issued by a financial institution subject to regulation by the State or Federal government, pledging that the funds necessary to meet the performance required herein are on deposit, and guaranteed for payment on demand. Said letter of credit, certificate of deposit, or similar instrument of credit shall provide that the funds designated therein shall become trust funds for the purposes set forth in said instrument.

(c) The failure of Principal to commence the required work of improvements, or to complete the same within the time required after commencement thereof, shall entitle City to the full payment of the security, or so much thereof as may be necessary to complete the required work of improvement. The amount of the surety bond for faithful performance shall be in the sum of **$656,100.00.** The amount of the surety bond for the payment of the claims of the contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement shall be at least 50 percent of the above amount. The letter of credit, certificate of deposit or similar instrument of credit, or cash deposit for faithful performance, shall be in the above amount plus an additional 50 percent for the purposes set forth herein.

**14. Improvement Security As Condition Precedent.** The furnishing of the improvement security by Principal as required

by paragraph 11 hereof shall be a condition precedent to acceptance by City of the above described real property and the performance by the City of the covenants herein on its part to be performed.

**15. Inspection of Work In Progress.** (a) Principal may request The City Engineer to inspect the work as it progresses. If the work performed is found to be in accordance with the requirements of City, it may be accepted as it progresses and a partial refund of the cash deposit, or a release pro tanto of the faithful performance bond, letter of credit, certificate of deposit or similar instrument of credit shall be made in a sum in the same ratio to the total deposit as the work accepted bears to the total work to be done. No refund in excess of 85 percent of the total amount of the improvement security for faithful performance shall be made until all the work has been completed and accepted.

(b) The determination of the Administrator of Public Works of City as to the amount of work done, and the amount of refund or partial release pro tanto, shall be final and conclusive. When the work of improvement is accepted, 10 percent of the improvement security shall be retained to guarantee faithful performance of the provisions of paragraph 8 of this Agreement.

(c) Improvement security given to secure payment to contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the work of improvement may, six months after completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which an action has been filed, and notice thereof given in writing to City, and if there are no actions filed, such improvement security may be released in full.

**16. Execution By Real Party In Interest.** Where title to the subdivision property is held by the record owner thereof under a holding Agreement, this Agreement and the bond given pursuant thereto must be executed by the real party or parties in interest.

**17. Waiver of Civil Code Section 2819.** Any extension of

time hereunder shall not operate to release the surety on the bond filed pursuant to this Agreement. In this connection the surety waives the provisions of Section 2819 of the Civil Code of the State of California.

**18. City Construction of Improvements.** In the event that all or any portion of the works of improvement contemplated herein are proposed to be constructed by street improvement proceedings under the control of City, the undertaking of such proceedings shall in no way relieve Principal of any duties under this Agreement, except where all of the works of improvement that are required under this Agreement have in fact been constructed and accepted by City.

**19. Interest.** Interest shall accrue at the highest rate permitted by law on all sums from the date payment is due under the terms of this agreement and the sum due is certain or reasonably capable of being made certain.

**20. Attorneys' Fees.** In the event that it is necessary for the City to enforce the obligations secured by the improvement security furnished pursuant to Paragraph 11 hereof, the City shall be entitled to recover its costs and reasonable expenses and fees, including reasonable attorneys' fees, as provided for in Government Code Section 66499.4.

**21. Amendments.** This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by the parties hereto.

**22. Entire Agreement.** This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supercedes all prior negotiations, representations or agreements, oral or written, that may be related to the subject matter of this Agreement.

**23. Construction and Interpretation.** It is agreed and acknowledged by the Principal that the provisions of this Agreement have been arrived at through negotiation, and that the Principal has had a full and fair opportunity to revise the

provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**24. Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

**25. Time.** Time is of the essence in the performance of each and every term of this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first above written.

CITY OF RANCHO CORDOVA

By_____
MAYOR

CITY(SEAL)

ATTEST: _____
Clerk of the City Council

PRINCIPAL

By: MS RIALTO RESIDENTIAL HOLDINGS, LLC, a Delaware limited liability company, its member

By: MSR HOLDING COMPANY, LLC, a Delaware limited liability company, its member

By: LENNAR HOMES OF CALIFORNIA, a California corporation, its California manager

By:_____
Name :_____
Title: _____

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.3 NORTH DOUGLAS VILLAGE 3 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

## RECOMMENDATION

Adopt Resolution No. 24-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of Resolution No. 24-2009 will result in the City Council approving the substitution of the developer for the Subdivision Improvement Agreement **(Exhibit A)** for Subdivision No. RC-03-002.3 North Douglas Village 3 executed by MS Rialto Residential Holdings, LLC. This will guarantee the completion of the public improvements by providing adequate security and warranty.

## BACKGROUND

The original Subdivision Improvement Agreement (Agreement) was entered into with the City by US Home/KB North Douglas, LLC. The property is now in the ownership of MS Rialto North Douglas CA, LLC. The public improvements associated with the Agreement are approximately 80% complete. MS Rialto North Douglas CA, LLC is requesting the substitution of developer for the improvement agreement. Additionally, they have submitted a new executed performance bond and labor and material bond to ensure the completion of the public improvements.

Pursuant to Government Code Section 66499.7 (d) the original performance bonds have been reduced and may be substituted subject to approval of the local agency. The Public Works Department will release the original bonds to US Home/KB North Douglas CA, LLC upon the approval of the substituted Improvement Agreement.

## ATTACHMENT

Resolution No. 24-2009 including **(Exhibit A)** Subdivision Improvement Agreement.

**AGENDA ITEM 8.7**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 24-2009**

**A RESOLUTION OF THE CITY COUNCIL APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.3 NORTH DOUGLAS VILLAGE 3 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

**WHEREAS**, a Subdivision Improvement Agreement ("original Agreement") for Subdivision No. RC-03-002.3 North Douglas Village 3 was originally approved by City Council on April 17, 2006 by Resolution No. 38-2006; and

**WHEREAS**, the original Agreement was entered into with US Home/KB North Douglas, LLC, which was the owner of the property at that time; and

**WHEREAS**, since the original Agreement, US Home/KB North Douglas, LLC has sold their interest in the property to MS Rialto North Douglas CA, LLC; and

**WHEREAS**, currently, the public improvements required by the original Agreement are approximately 80% complete (Public Improvements); and

**WHEREAS**, MS Rialto Residential Holdings, LLC has provided the performance bonds and labor and material bonds required to complete the Public Improvements; and

**WHEREAS**, upon adoption of this resolution and the execution of the new Subdivision Improvement Agreement, the original Agreement and bonds provided by US Home/KB North Douglas, LLC shall no longer be valid and terminated.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** as follows:

A. The City Council approves the substitution of developer for the subdivision improvement agreement related to Subdivision No. RC-03-002.3 North Douglas Village 3 from US Home/KB North Douglas, LLC to MS Rialto North Douglas CA, LLC; and

B. The Mayor is authorized to execute the Subdivision Improvement Agreement with MS Rialto North Douglas CA, LLC in substantially the form set forth in **Exhibit A**.

C. The City Council authorizes staff to perform all necessary actions needed to carry out the purpose of this resolution.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT A**

# SUBDIVISION IMPROVEMENT AGREEMENT

**THIS AGREEMENT** entered into this _____ day of _____, 2___, by and between the City of Rancho Cordova, (hereinafter "City"), and **MS RIALTO NORTH DOUGLAS CA, LLC, a Delaware limited liability company** hereinafter "Principal").

## RECITALS

**WHEREAS,** Section 66462 of the Government Code provides that if the work of improvement required therein is not completed prior to the acceptance of a final subdivision map, the owner of the subdivision may enter into an agreement with the City to perform the work of improvement as required by said sections in consideration of the acceptance of said final subdivision map by the City; and

**WHEREAS,** Section 66499 of the Government Code requires that said Agreement be secured by a surety bond or by an instrument of credit issued by a financial institution subject to regulation by the State or federal governments or by a cash deposit; and

**WHEREAS,** Section 66499.3 establishes the types and amount of security to guarantee the performance of any such improvement agreement; and

**WHEREAS,** City and Principal desire to enter into an improvement agreement as authorized by the Subdivision Map Act under the terms and conditions hereinafter set forth.

**NOW, THEREFORE,** in consideration of the mutual promises, conditions and covenants hereinafter set forth, City and Principal agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are hereby incorporated by reference.

2. **Findings and Conditions of Subdivision Map.** Principal recognizes that approval of his subdivision was subject to the findings and conditions attached to such approval and hereby acknowledges and agrees to be bound by such findings and conditions.

3. **City Approval of Subdivision Map**. City agrees to approve the final map of the subdivision presented to it by Principal and designated **Subdivision No. RC-03-002.3 North Douglas Village 3,** and to accept on behalf of the public all lands, rights of way and easements therein offered in dedication, in accordance with the conditions hereinafter set forth.

4. **Completion of Improvements**. In consideration of such approval, Principal agrees to complete the work of improvement required for said subdivision in accordance with the requirements of the Rancho Cordova City Code and such standard specifications created by applicable City ordinances or resolutions which are in effect at the time of the installation of said improvements. The work required may lie within or outside the subdivision and must be completed within **24** months of the date of this agreement.

5. **Payment For Services**. Principal further agrees to promptly pay, when due, all costs for plan checking, inspection services and material testing performed by City pursuant to the requirements of Sections 12.03.210 et. seq. of the Rancho Cordova City Code.

6. **Sunridge Specific Plan Fee**. Principal acknowledges that the City is in the process of adopting one or more fees and/or financing mechanisms in order to implement provisions of the Sunridge Specific Plan, and that as of the time of recordation of the Final Map, these fees and/or financing mechanisms are not yet in effect. Principal acknowledges and agrees that with the exception of model homes, no building permits for any residential or non-residential structure shall be issued for any lot within the Final Map unless and until such fees have been approved by the City.

7. **Park Renovation Fee**. Principal acknowledges that the City has adopted a fee for the purpose of renovating existing parks in the amount of $733 per single family lot within the Final Map ("Park Renovation Fee"). Principal acknowledges and agrees that such fee will be paid prior to the issuance of a building permit for the respective lot.

8. **Acceptance of Improvements**. Upon satisfactory

completion of all public improvements in accordance with standard specifications created by City ordinances or resolutions which are in effect at the time of the installation of said improvements, City agrees to accept for maintenance the work of improvement within the dedicated parcels shown on said final subdivision map, and any off site easements granted, subject to the provisions of paragraph 8 hereof.

**9. Notice of Commencement of Work.** Principal shall notify the City Engineer in writing of the commencement of the work of improvements.

**10. Correction of Defects.** Principal agrees to remedy any defects in the improvement arising from faulty or defective construction of said improvements occurring within twelve months after acceptance thereof by City.

**11. Indemnity.** Principal shall indemnify and hold harmless City from any and all loss, damage or liability arising out of or resulting from Principal's performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, servants and employees. Principal shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings arising out of or resulting from the performance or nonperformance of this Agreement, that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgment that may be rendered against the City in any such action, suit or legal proceedings, or result thereof, regardless whether caused in part by a party indemnified hereunder.

**12. Extension of Completion Date.** If the construction of the work or improvement should be delayed without fault of Principal, the time for completion thereof may be extended by City for such period of time as City may deem reasonable.

**13. Improvement Security.** (a) Principal shall obtain and furnish to City an improvement security consisting of a surety bond in favor of City, issued by a corporate surety authorized to do business in the State of California, and in form approved by

City, securing the faithful performance by Principal of the work of improvement required, and also securing the payment of the costs and interest, if any, due under Sections 12.030.210 et seq. of the Rancho Cordova City Code, as provided in Paragraph 5 herein and an additional bond issued by a corporate surety authorized to do business in the State of California, in the amount of not less than 50 percent of the total estimated cost of the improvement, securing payment to contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement.

(b) In lieu of said corporate surety bonds, Principal may furnish an improvement security consisting of a letter of credit, certificate of deposit, or similar instrument of credit, in form satisfactory to City, issued by a financial institution subject to regulation by the State or Federal government, pledging that the funds necessary to meet the performance required herein are on deposit, and guaranteed for payment on demand. Said letter of credit, certificate of deposit, or similar instrument of credit shall provide that the funds designated therein shall become trust funds for the purposes set forth in said instrument.

(c) The failure of Principal to commence the required work of improvements, or to complete the same within the time required after commencement thereof, shall entitle City to the full payment of the security, or so much thereof as may be necessary to complete the required work of improvement. The amount of the surety bond for faithful performance shall be in the sum of **$683,000.00.** The amount of the surety bond for the payment of the claims of the contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement shall be at least 50 percent of the above amount. The letter of credit, certificate of deposit or similar instrument of credit, or cash deposit for faithful performance, shall be in the above amount plus an additional 50 percent for the purposes set forth herein.

**14. Improvement Security As Condition Precedent.** The furnishing of the improvement security by Principal as required

by paragraph 11 hereof shall be a condition precedent to acceptance by City of the above described real property and the performance by the City of the covenants herein on its part to be performed.

**15. Inspection of Work In Progress.** (a) Principal may request The City Engineer to inspect the work as it progresses. If the work performed is found to be in accordance with the requirements of City, it may be accepted as it progresses and a partial refund of the cash deposit, or a release pro tanto of the faithful performance bond, letter of credit, certificate of deposit or similar instrument of credit shall be made in a sum in the same ratio to the total deposit as the work accepted bears to the total work to be done. No refund in excess of 85 percent of the total amount of the improvement security for faithful performance shall be made until all the work has been completed and accepted.

(b) The determination of the Administrator of Public Works of City as to the amount of work done, and the amount of refund or partial release pro tanto, shall be final and conclusive. When the work of improvement is accepted, 10 percent of the improvement security shall be retained to guarantee faithful performance of the provisions of paragraph 8 of this Agreement.

(c) Improvement security given to secure payment to contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the work of improvement may, six months after completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which an action has been filed, and notice thereof given in writing to City, and if there are no actions filed, such improvement security may be released in full.

**16. Execution By Real Party In Interest.** Where title to the subdivision property is held by the record owner thereof under a holding Agreement, this Agreement and the bond given pursuant thereto must be executed by the real party or parties in interest.

**17. Waiver of Civil Code Section 2819.** Any extension of

time hereunder shall not operate to release the surety on the bond filed pursuant to this Agreement. In this connection the surety waives the provisions of Section 2819 of the Civil Code of the State of California.

**18. City Construction of Improvements.** In the event that all or any portion of the works of improvement contemplated herein are proposed to be constructed by street improvement proceedings under the control of City, the undertaking of such proceedings shall in no way relieve Principal of any duties under this Agreement, except where all of the works of improvement that are required under this Agreement have in fact been constructed and accepted by City.

**19. Interest.** Interest shall accrue at the highest rate permitted by law on all sums from the date payment is due under the terms of this agreement and the sum due is certain or reasonably capable of being made certain.

**20. Attorneys' Fees.** In the event that it is necessary for the City to enforce the obligations secured by the improvement security furnished pursuant to Paragraph 11 hereof, the City shall be entitled to recover its costs and reasonable expenses and fees, including reasonable attorneys' fees, as provided for in Government Code Section 66499.4.

**21. Amendments.** This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by the parties hereto.

**22. Entire Agreement.** This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supercedes all prior negotiations, representations or agreements, oral or written, that may be related to the subject matter of this Agreement.

**23. Construction and Interpretation.** It is agreed and acknowledged by the Principal that the provisions of this Agreement have been arrived at through negotiation, and that the Principal has had a full and fair opportunity to revise the

provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**24. Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

**25. Time.** Time is of the essence in the performance of each and every term of this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first above written.

CITY OF RANCHO CORDOVA

By_____
MAYOR

CITY(SEAL)

ATTEST: _____
Clerk of the City Council

PRINCIPAL

By: MS RIALTO RESIDENTIAL HOLDINGS, LLC, a Delaware limited liability company, its member

By: MSR HOLDING COMPANY, LLC, a Delaware limited liability company, its member

By: LENNAR HOMES OF CALIFORNIA, a California corporation, its California manager

By:_____
Name :_____
Title: _____

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.4 NORTH DOUGLAS VILLAGE 4 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

## RECOMMENDATION

Adopt Resolution No. 25-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of Resolution No. 25-2009 will result in the City Council approving the substitution of the developer for the Subdivision Improvement Agreement **(Exhibit A)** for Subdivision No. RC-03-002.4 North Douglas Village 4 executed by MS Rialto Residential Holdings, LLC. This will guarantee the completion of the public improvements by providing adequate security and warranty.

## BACKGROUND

The original Subdivision Improvement Agreement (Agreement) was entered into with the City by US Home/KB North Douglas, LLC. The property is now in the ownership of MS Rialto North Douglas CA, LLC. The public improvements associated with the Agreement are approximately 80% complete. MS Rialto North Douglas CA, LLC is requesting the substitution of developer for the improvement agreement. Additionally, they have submitted a new executed performance bond and labor and material bond to ensure the completion of the public improvements.

Pursuant to Government Code Section 66499.7 (d) the original performance bonds have been reduced and may be substituted subject to approval of the local agency. The Public Works Department will release the original bonds to US Home/KB North Douglas CA, LLC upon the approval of the substituted Improvement Agreement.

## ATTACHMENT

Resolution No. 25-2009 including **(Exhibit A)** Subdivision Improvement Agreement.

**AGENDA ITEM 8.8**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 25-2009**

**A RESOLUTION OF THE CITY COUNCIL APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.4 NORTH DOUGLAS VILLAGE 4 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

**WHEREAS**, a Subdivision Improvement Agreement ("original Agreement") for Subdivision No. RC-03-002.4 North Douglas Village 4 was originally approved by City Council on April 17, 2006 by Resolution No. 39-2006; and

**WHEREAS**, the original Agreement was entered into with US Home/KB North Douglas, LLC, which was the owner of the property at that time; and

**WHEREAS**, since the original Agreement, US Home/KB North Douglas, LLC has sold their interest in the property to MS Rialto North Douglas CA, LLC; and

**WHEREAS**, currently, the public improvements required by the original Agreement are approximately 80% complete (Public Improvements); and

**WHEREAS**, MS Rialto Residential Holdings, LLC has provided the performance bonds and labor and material bonds required to complete the Public Improvements; and

**WHEREAS**, upon adoption of this resolution and the execution of the new Subdivision Improvement Agreement, the original Agreement and bonds provided by US Home/KB North Douglas, LLC shall no longer be valid and terminated.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** as follows:

A. The City Council approves the substitution of developer for the subdivision improvement agreement related to Subdivision No. RC-03-002.4 North Douglas Village 4 from US Home/KB North Douglas, LLC to MS Rialto North Douglas CA, LLC; and

B. The Mayor is authorized to execute the Subdivision Improvement Agreement with MS Rialto North Douglas CA, LLC in substantially the form set forth in **Exhibit A**.

C. The City Council authorizes staff to perform all necessary actions needed to carry out the purpose of this resolution.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT A**

# SUBDIVISION IMPROVEMENT AGREEMENT

**THIS AGREEMENT** entered into this _____ day of _____, 2___, by and between the City of Rancho Cordova, (hereinafter "City"), and **MS RIALTO NORTH DOUGLAS CA, LLC, a Delaware limited liability company** hereinafter "Principal").

## RECITALS

**WHEREAS,** Section 66462 of the Government Code provides that if the work of improvement required therein is not completed prior to the acceptance of a final subdivision map, the owner of the subdivision may enter into an agreement with the City to perform the work of improvement as required by said sections in consideration of the acceptance of said final subdivision map by the City; and

**WHEREAS,** Section 66499 of the Government Code requires that said Agreement be secured by a surety bond or by an instrument of credit issued by a financial institution subject to regulation by the State or federal governments or by a cash deposit; and

**WHEREAS,** Section 66499.3 establishes the types and amount of security to guarantee the performance of any such improvement agreement; and

**WHEREAS,** City and Principal desire to enter into an improvement agreement as authorized by the Subdivision Map Act under the terms and conditions hereinafter set forth.

**NOW, THEREFORE,** in consideration of the mutual promises, conditions and covenants hereinafter set forth, City and Principal agree as follows:

1. **Incorporation of Recitals**. The foregoing recitals are hereby incorporated by reference.

2. **Findings and Conditions of Subdivision Map**. Principal recognizes that approval of his subdivision was subject to the findings and conditions attached to such approval and hereby acknowledges and agrees to be bound by such findings and conditions.

3. **City Approval of Subdivision Map**. City agrees to approve the final map of the subdivision presented to it by Principal and designated **Subdivision No. RC-03-002.4 North Douglas Village 4**, and to accept on behalf of the public all lands, rights of way and easements therein offered in dedication, in accordance with the conditions hereinafter set forth.

4. **Completion of Improvements**. In consideration of such approval, Principal agrees to complete the work of improvement required for said subdivision in accordance with the requirements of the Rancho Cordova City Code and such standard specifications created by applicable City ordinances or resolutions which are in effect at the time of the installation of said improvements. The work required may lie within or outside the subdivision and must be completed within **24** months of the date of this agreement.

5. **Payment For Services**. Principal further agrees to promptly pay, when due, all costs for plan checking, inspection services and material testing performed by City pursuant to the requirements of Sections 12.03.210 et. seq. of the Rancho Cordova City Code.

6. **Sunridge Specific Plan Fee**. Principal acknowledges that the City is in the process of adopting one or more fees and/or financing mechanisms in order to implement provisions of the Sunridge Specific Plan, and that as of the time of recordation of the Final Map, these fees and/or financing mechanisms are not yet in effect. Principal acknowledges and agrees that with the exception of model homes, no building permits for any residential or non-residential structure shall be issued for any lot within the Final Map unless and until such fees have been approved by the City.

7. **Park Renovation Fee**. Principal acknowledges that the City has adopted a fee for the purpose of renovating existing parks in the amount of $733 per single family lot within the Final Map ("Park Renovation Fee"). Principal acknowledges and agrees that such fee will be paid prior to the issuance of a building permit for the respective lot.

8. **Acceptance of Improvements**. Upon satisfactory

completion of all public improvements in accordance with standard specifications created by City ordinances or resolutions which are in effect at the time of the installation of said improvements, City agrees to accept for maintenance the work of improvement within the dedicated parcels shown on said final subdivision map, and any off site easements granted, subject to the provisions of paragraph 8 hereof.

**9. Notice of Commencement of Work.** Principal shall notify the City Engineer in writing of the commencement of the work of improvements.

**10. Correction of Defects.** Principal agrees to remedy any defects in the improvement arising from faulty or defective construction of said improvements occurring within twelve months after acceptance thereof by City.

**11. Indemnity.** Principal shall indemnify and hold harmless City from any and all loss, damage or liability arising out of or resulting from Principal's performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, servants and employees. Principal shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings arising out of or resulting from the performance or nonperformance of this Agreement, that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgment that may be rendered against the City in any such action, suit or legal proceedings, or result thereof, regardless whether caused in part by a party indemnified hereunder.

**12. Extension of Completion Date.** If the construction of the work or improvement should be delayed without fault of Principal, the time for completion thereof may be extended by City for such period of time as City may deem reasonable.

**13. Improvement Security.** (a) Principal shall obtain and furnish to City an improvement security consisting of a surety bond in favor of City, issued by a corporate surety authorized to do business in the State of California, and in form approved by

City, securing the faithful performance by Principal of the work of improvement required, and also securing the payment of the costs and interest, if any, due under Sections 12.030.210 et seq. of the Rancho Cordova City Code, as provided in Paragraph 5 herein and an additional bond issued by a corporate surety authorized to do business in the State of California, in the amount of not less than 50 percent of the total estimated cost of the improvement, securing payment to contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement.

(b) In lieu of said corporate surety bonds, Principal may furnish an improvement security consisting of a letter of credit, certificate of deposit, or similar instrument of credit, in form satisfactory to City, issued by a financial institution subject to regulation by the State or Federal government, pledging that the funds necessary to meet the performance required herein are on deposit, and guaranteed for payment on demand. Said letter of credit, certificate of deposit, or similar instrument of credit shall provide that the funds designated therein shall become trust funds for the purposes set forth in said instrument.

(c) The failure of Principal to commence the required work of improvements, or to complete the same within the time required after commencement thereof, shall entitle City to the full payment of the security, or so much thereof as may be necessary to complete the required work of improvement. The amount of the surety bond for faithful performance shall be in the sum of **$1,166,400.00.** The amount of the surety bond for the payment of the claims of the contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement shall be at least 50 percent of the above amount. The letter of credit, certificate of deposit or similar instrument of credit, or cash deposit for faithful performance, shall be in the above amount plus an additional 50 percent for the purposes set forth herein.

**14. Improvement Security As Condition Precedent.** The furnishing of the improvement security by Principal as required

by paragraph 11 hereof shall be a condition precedent to acceptance by City of the above described real property and the performance by the City of the covenants herein on its part to be performed.

**15. Inspection of Work In Progress.** (a) Principal may request The City Engineer to inspect the work as it progresses. If the work performed is found to be in accordance with the requirements of City, it may be accepted as it progresses and a partial refund of the cash deposit, or a release pro tanto of the faithful performance bond, letter of credit, certificate of deposit or similar instrument of credit shall be made in a sum in the same ratio to the total deposit as the work accepted bears to the total work to be done. No refund in excess of 85 percent of the total amount of the improvement security for faithful performance shall be made until all the work has been completed and accepted.

(b) The determination of the Administrator of Public Works of City as to the amount of work done, and the amount of refund or partial release pro tanto, shall be final and conclusive. When the work of improvement is accepted, 10 percent of the improvement security shall be retained to guarantee faithful performance of the provisions of paragraph 8 of this Agreement.

(c) Improvement security given to secure payment to contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the work of improvement may, six months after completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which an action has been filed, and notice thereof given in writing to City, and if there are no actions filed, such improvement security may be released in full.

**16. Execution By Real Party In Interest.** Where title to the subdivision property is held by the record owner thereof under a holding Agreement, this Agreement and the bond given pursuant thereto must be executed by the real party or parties in interest.

**17. Waiver of Civil Code Section 2819.** Any extension of

time hereunder shall not operate to release the surety on the bond filed pursuant to this Agreement. In this connection the surety waives the provisions of Section 2819 of the Civil Code of the State of California.

**18. City Construction of Improvements.** In the event that all or any portion of the works of improvement contemplated herein are proposed to be constructed by street improvement proceedings under the control of City, the undertaking of such proceedings shall in no way relieve Principal of any duties under this Agreement, except where all of the works of improvement that are required under this Agreement have in fact been constructed and accepted by City.

**19. Interest.** Interest shall accrue at the highest rate permitted by law on all sums from the date payment is due under the terms of this agreement and the sum due is certain or reasonably capable of being made certain.

**20. Attorneys' Fees.** In the event that it is necessary for the City to enforce the obligations secured by the improvement security furnished pursuant to Paragraph 11 hereof, the City shall be entitled to recover its costs and reasonable expenses and fees, including reasonable attorneys' fees, as provided for in Government Code Section 66499.4.

**21. Amendments.** This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by the parties hereto.

**22. Entire Agreement.** This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supercedes all prior negotiations, representations or agreements, oral or written, that may be related to the subject matter of this Agreement.

**23. Construction and Interpretation.** It is agreed and acknowledged by the Principal that the provisions of this Agreement have been arrived at through negotiation, and that the Principal has had a full and fair opportunity to revise the

provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**24. Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

**25. Time.** Time is of the essence in the performance of each and every term of this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first above written.

CITY OF RANCHO CORDOVA

By_____
MAYOR

CITY(SEAL)

ATTEST: _____
Clerk of the City Council

PRINCIPAL

By: MS RIALTO RESIDENTIAL HOLDINGS, LLC, a Delaware limited liability company, its member

By: MSR HOLDING COMPANY, LLC, a Delaware limited liability company, its member

By: LENNAR HOMES OF CALIFORNIA, a California corporation, its California manager

By:_____
Name :_____
Title: _____

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.5 NORTH DOUGLAS VILLAGE 5 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

## RECOMMENDATION

Adopt Resolution No. 26-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of Resolution No. 26-2009 will result in the City Council approving the substitution of the developer for the Subdivision Improvement Agreement **(Exhibit A)** for Subdivision No. RC-03-002.5 North Douglas Village 5 executed by MS Rialto Residential Holdings, LLC. This will guarantee the completion of the public improvements by providing adequate security and warranty.

## BACKGROUND

The original Subdivision Improvement Agreement (Agreement) was entered into with the City by US Home/KB North Douglas, LLC. The property is now in the ownership of MS Rialto North Douglas CA, LLC. The public improvements associated with the Agreement are approximately 80% complete. MS Rialto North Douglas CA, LLC is requesting the substitution of developer for the improvement agreement. Additionally, they have submitted a new executed performance bond and labor and material bond to ensure the completion of the public improvements.

Pursuant to Government Code Section 66499.7 (d) the original performance bonds have been reduced and may be substituted subject to approval of the local agency. The Public Works Department will release the original bonds to US Home/KB North Douglas CA, LLC upon the approval of the substituted Improvement Agreement.

## ATTACHMENT

Resolution No. 26-2009 including **(Exhibit A)** Subdivision Improvement Agreement.

**AGENDA ITEM 8.9**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 26-2009**

**A RESOLUTION OF THE CITY COUNCIL APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.5 NORTH DOUGLAS VILLAGE 5 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

**WHEREAS**, a Subdivision Improvement Agreement ("original Agreement") for Subdivision No. RC-03-002.5 North Douglas Village 5 was originally approved by City Council on April 17, 2006 by Resolution No. 40-2006; and

**WHEREAS**, the original Agreement was entered into with US Home/KB North Douglas, LLC, which was the owner of the property at that time; and

**WHEREAS**, since the original Agreement, US Home/KB North Douglas, LLC has sold their interest in the property to MS Rialto North Douglas CA, LLC; and

**WHEREAS**, currently, the public improvements required by the original Agreement are approximately 80% complete (Public Improvements); and

**WHEREAS**, MS Rialto Residential Holdings, LLC has provided the performance bonds and labor and material bonds required to complete the Public Improvements; and

**WHEREAS**, upon adoption of this resolution and the execution of the new Subdivision Improvement Agreement, the original Agreement and bonds provided by US Home/KB North Douglas, LLC shall no longer be valid and terminated.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** as follows:

A. The City Council approves the substitution of developer for the subdivision improvement agreement related to Subdivision No. RC-03-002.5 North Douglas Village 5 from US Home/KB North Douglas, LLC to MS Rialto North Douglas CA, LLC; and

B. The Mayor is authorized to execute the Subdivision Improvement Agreement with MS Rialto North Douglas CA, LLC in substantially the form set forth in **Exhibit A**.

C. The City Council authorizes staff to perform all necessary actions needed to carry out the purpose of this resolution.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT A**

# SUBDIVISION IMPROVEMENT AGREEMENT

**THIS AGREEMENT** entered into this _____ day of _____, 2___, by and between the City of Rancho Cordova, (hereinafter "City"), and **MS RIALTO NORTH DOUGLAS CA, LLC, a Delaware limited liability company** hereinafter "Principal").

## RECITALS

**WHEREAS,** Section 66462 of the Government Code provides that if the work of improvement required therein is not completed prior to the acceptance of a final subdivision map, the owner of the subdivision may enter into an agreement with the City to perform the work of improvement as required by said sections in consideration of the acceptance of said final subdivision map by the City; and

**WHEREAS,** Section 66499 of the Government Code requires that said Agreement be secured by a surety bond or by an instrument of credit issued by a financial institution subject to regulation by the State or federal governments or by a cash deposit; and

**WHEREAS,** Section 66499.3 establishes the types and amount of security to guarantee the performance of any such improvement agreement; and

**WHEREAS,** City and Principal desire to enter into an improvement agreement as authorized by the Subdivision Map Act under the terms and conditions hereinafter set forth.

**NOW, THEREFORE,** in consideration of the mutual promises, conditions and covenants hereinafter set forth, City and Principal agree as follows:

1. **Incorporation of Recitals**. The foregoing recitals are hereby incorporated by reference.

2. **Findings and Conditions of Subdivision Map**. Principal recognizes that approval of his subdivision was subject to the findings and conditions attached to such approval and hereby acknowledges and agrees to be bound by such findings and conditions.

3. **City Approval of Subdivision Map**. City agrees to approve the final map of the subdivision presented to it by Principal and designated **Subdivision No. RC-03-002.5 North Douglas Village 5**, and to accept on behalf of the public all lands, rights of way and easements therein offered in dedication, in accordance with the conditions hereinafter set forth.

4. **Completion of Improvements**. In consideration of such approval, Principal agrees to complete the work of improvement required for said subdivision in accordance with the requirements of the Rancho Cordova City Code and such standard specifications created by applicable City ordinances or resolutions which are in effect at the time of the installation of said improvements. The work required may lie within or outside the subdivision and must be completed within **24** months of the date of this agreement.

5. **Payment For Services**. Principal further agrees to promptly pay, when due, all costs for plan checking, inspection services and material testing performed by City pursuant to the requirements of Sections 12.03.210 et. seq. of the Rancho Cordova City Code.

6. **Sunridge Specific Plan Fee**. Principal acknowledges that the City is in the process of adopting one or more fees and/or financing mechanisms in order to implement provisions of the Sunridge Specific Plan, and that as of the time of recordation of the Final Map, these fees and/or financing mechanisms are not yet in effect. Principal acknowledges and agrees that with the exception of model homes, no building permits for any residential or non-residential structure shall be issued for any lot within the Final Map unless and until such fees have been approved by the City.

7. **Park Renovation Fee**. Principal acknowledges that the City has adopted a fee for the purpose of renovating existing parks in the amount of $733 per single family lot within the Final Map ("Park Renovation Fee"). Principal acknowledges and agrees that such fee will be paid prior to the issuance of a building permit for the respective lot.

8. **Acceptance of Improvements**. Upon satisfactory

completion of all public improvements in accordance with standard specifications created by City ordinances or resolutions which are in effect at the time of the installation of said improvements, City agrees to accept for maintenance the work of improvement within the dedicated parcels shown on said final subdivision map, and any off site easements granted, subject to the provisions of paragraph 8 hereof.

**9. Notice of Commencement of Work.** Principal shall notify the City Engineer in writing of the commencement of the work of improvements.

**10. Correction of Defects.** Principal agrees to remedy any defects in the improvement arising from faulty or defective construction of said improvements occurring within twelve months after acceptance thereof by City.

**11. Indemnity.** Principal shall indemnify and hold harmless City from any and all loss, damage or liability arising out of or resulting from Principal's performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, servants and employees. Principal shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings arising out of or resulting from the performance or nonperformance of this Agreement, that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgment that may be rendered against the City in any such action, suit or legal proceedings, or result thereof, regardless whether caused in part by a party indemnified hereunder.

**12. Extension of Completion Date.** If the construction of the work or improvement should be delayed without fault of Principal, the time for completion thereof may be extended by City for such period of time as City may deem reasonable.

**13. Improvement Security.** (a) Principal shall obtain and furnish to City an improvement security consisting of a surety bond in favor of City, issued by a corporate surety authorized to do business in the State of California, and in form approved by

City, securing the faithful performance by Principal of the work of improvement required, and also securing the payment of the costs and interest, if any, due under Sections 12.030.210 et seq. of the Rancho Cordova City Code, as provided in Paragraph 5 herein and an additional bond issued by a corporate surety authorized to do business in the State of California, in the amount of not less than 50 percent of the total estimated cost of the improvement, securing payment to contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement.

(b) In lieu of said corporate surety bonds, Principal may furnish an improvement security consisting of a letter of credit, certificate of deposit, or similar instrument of credit, in form satisfactory to City, issued by a financial institution subject to regulation by the State or Federal government, pledging that the funds necessary to meet the performance required herein are on deposit, and guaranteed for payment on demand. Said letter of credit, certificate of deposit, or similar instrument of credit shall provide that the funds designated therein shall become trust funds for the purposes set forth in said instrument.

(c) The failure of Principal to commence the required work of improvements, or to complete the same within the time required after commencement thereof, shall entitle City to the full payment of the security, or so much thereof as may be necessary to complete the required work of improvement. The amount of the surety bond for faithful performance shall be in the sum of **$1,123,600.00**. The amount of the surety bond for the payment of the claims of the contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement shall be at least 50 percent of the above amount. The letter of credit, certificate of deposit or similar instrument of credit, or cash deposit for faithful performance, shall be in the above amount plus an additional 50 percent for the purposes set forth herein.

**14. Improvement Security As Condition Precedent.** The furnishing of the improvement security by Principal as required

by paragraph 11 hereof shall be a condition precedent to acceptance by City of the above described real property and the performance by the City of the covenants herein on its part to be performed.

**15. Inspection of Work In Progress.** (a) Principal may request The City Engineer to inspect the work as it progresses. If the work performed is found to be in accordance with the requirements of City, it may be accepted as it progresses and a partial refund of the cash deposit, or a release pro tanto of the faithful performance bond, letter of credit, certificate of deposit or similar instrument of credit shall be made in a sum in the same ratio to the total deposit as the work accepted bears to the total work to be done. No refund in excess of 85 percent of the total amount of the improvement security for faithful performance shall be made until all the work has been completed and accepted.

(b) The determination of the Administrator of Public Works of City as to the amount of work done, and the amount of refund or partial release pro tanto, shall be final and conclusive. When the work of improvement is accepted, 10 percent of the improvement security shall be retained to guarantee faithful performance of the provisions of paragraph 8 of this Agreement.

(c) Improvement security given to secure payment to contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the work of improvement may, six months after completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which an action has been filed, and notice thereof given in writing to City, and if there are no actions filed, such improvement security may be released in full.

**16. Execution By Real Party In Interest.** Where title to the subdivision property is held by the record owner thereof under a holding Agreement, this Agreement and the bond given pursuant thereto must be executed by the real party or parties in interest.

**17. Waiver of Civil Code Section 2819.** Any extension of

time hereunder shall not operate to release the surety on the bond filed pursuant to this Agreement. In this connection the surety waives the provisions of Section 2819 of the Civil Code of the State of California.

**18. City Construction of Improvements.** In the event that all or any portion of the works of improvement contemplated herein are proposed to be constructed by street improvement proceedings under the control of City, the undertaking of such proceedings shall in no way relieve Principal of any duties under this Agreement, except where all of the works of improvement that are required under this Agreement have in fact been constructed and accepted by City.

**19. Interest.** Interest shall accrue at the highest rate permitted by law on all sums from the date payment is due under the terms of this agreement and the sum due is certain or reasonably capable of being made certain.

**20. Attorneys' Fees.** In the event that it is necessary for the City to enforce the obligations secured by the improvement security furnished pursuant to Paragraph 11 hereof, the City shall be entitled to recover its costs and reasonable expenses and fees, including reasonable attorneys' fees, as provided for in Government Code Section 66499.4.

**21. Amendments.** This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by the parties hereto.

**22. Entire Agreement.** This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supercedes all prior negotiations, representations or agreements, oral or written, that may be related to the subject matter of this Agreement.

**23. Construction and Interpretation.** It is agreed and acknowledged by the Principal that the provisions of this Agreement have been arrived at through negotiation, and that the Principal has had a full and fair opportunity to revise the

provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**24. Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

**25. Time.** Time is of the essence in the performance of each and every term of this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first above written.

CITY OF RANCHO CORDOVA

By_____
MAYOR

CITY(SEAL)

ATTEST: _____
Clerk of the City Council

PRINCIPAL

By: MS RIALTO RESIDENTIAL HOLDINGS, LLC, a Delaware limited liability company, its member

By: MSR HOLDING COMPANY, LLC, a Delaware limited liability company, its member

By: LENNAR HOMES OF CALIFORNIA, a California corporation, its California manager

By:_____
Name :_____
Title: _____

**EXHIBIT A**

Can we delete this page?

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.6 NORTH DOUGLAS VILLAGE 6 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

## RECOMMENDATION

Adopt Resolution No. 27-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of Resolution No. 27-2009 will result in the City Council approving the substitution of the developer for the Subdivision Improvement Agreement **(Exhibit A)** for Subdivision No. RC-03-002.6 North Douglas Village 6 executed by MS Rialto Residential Holdings, LLC. This will guarantee the completion of the public improvements by providing adequate security and warranty.

## BACKGROUND

The original Subdivision Improvement Agreement (Agreement) was entered into with the City by US Home/KB North Douglas, LLC. The property is now in the ownership of MS Rialto North Douglas CA, LLC. The public improvements associated with the Agreement are approximately 80% complete. MS Rialto North Douglas CA, LLC is requesting the substitution of developer for the improvement agreement. Additionally, they have submitted a new executed performance bond and labor and material bond to ensure the completion of the public improvements.

Pursuant to Government Code Section 66499.7 (d) the original performance bonds have been reduced and may be substituted subject to approval of the local agency. The Public Works Department will release the original bonds to US Home/KB North Douglas CA, LLC upon the approval of the substituted Improvement Agreement.

## ATTACHMENT

Resolution No. 27-2009 including **(Exhibit A)** Subdivision Improvement Agreement.

**AGENDA ITEM 8.10**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 27-2009**

**A RESOLUTION OF THE CITY COUNCIL APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.6 NORTH DOUGLAS VILLAGE 6 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

**WHEREAS**, a Subdivision Improvement Agreement ("original Agreement") for Subdivision No. RC-03-002.6 North Douglas Village 6 was originally approved by City Council on April 17, 2006 by Resolution No. 41-2006; and

**WHEREAS**, the original Agreement was entered into with US Home/KB North Douglas, LLC, which was the owner of the property at that time; and

**WHEREAS**, since the original Agreement, US Home/KB North Douglas, LLC has sold their interest in the property to MS Rialto North Douglas CA, LLC; and

**WHEREAS**, currently, the public improvements required by the original Agreement are approximately 80% complete (Public Improvements); and

**WHEREAS**, MS Rialto Residential Holdings, LLC has provided the performance bonds and labor and material bonds required to complete the Public Improvements; and

**WHEREAS**, upon adoption of this resolution and the execution of the new Subdivision Improvement Agreement, the original Agreement and bonds provided by US Home/KB North Douglas, LLC shall no longer be valid and terminated.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** as follows:

A. The City Council approves the substitution of developer for the subdivision improvement agreement related to Subdivision No. RC-03-002.6 North Douglas Village 6 from US Home/KB North Douglas, LLC to MS Rialto North Douglas CA, LLC; and

B. The Mayor is authorized to execute the Subdivision Improvement Agreement with MS Rialto North Douglas CA, LLC in substantially the form set forth in **Exhibit A**.

C. The City Council authorizes staff to perform all necessary actions needed to carry out the purpose of this resolution.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT A**

# SUBDIVISION IMPROVEMENT AGREEMENT

**THIS AGREEMENT** entered into this _____ day of _____, 2___, by and between the City of Rancho Cordova, (hereinafter "City"), and **MS RIALTO NORTH DOUGLAS CA, LLC, a Delaware limited liability company** hereinafter "Principal").

## RECITALS

**WHEREAS,** Section 66462 of the Government Code provides that if the work of improvement required therein is not completed prior to the acceptance of a final subdivision map, the owner of the subdivision may enter into an agreement with the City to perform the work of improvement as required by said sections in consideration of the acceptance of said final subdivision map by the City; and

**WHEREAS,** Section 66499 of the Government Code requires that said Agreement be secured by a surety bond or by an instrument of credit issued by a financial institution subject to regulation by the State or federal governments or by a cash deposit; and

**WHEREAS,** Section 66499.3 establishes the types and amount of security to guarantee the performance of any such improvement agreement; and

**WHEREAS,** City and Principal desire to enter into an improvement agreement as authorized by the Subdivision Map Act under the terms and conditions hereinafter set forth.

**NOW, THEREFORE,** in consideration of the mutual promises, conditions and covenants hereinafter set forth, City and Principal agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are hereby incorporated by reference.

2. **Findings and Conditions of Subdivision Map.** Principal recognizes that approval of his subdivision was subject to the findings and conditions attached to such approval and hereby acknowledges and agrees to be bound by such findings and conditions.

3. **City Approval of Subdivision Map**. City agrees to approve the final map of the subdivision presented to it by Principal and designated **Subdivision No. RC-03-002.6 North Douglas Village 6,** and to accept on behalf of the public all lands, rights of way and easements therein offered in dedication, in accordance with the conditions hereinafter set forth.

4. **Completion of Improvements**. In consideration of such approval, Principal agrees to complete the work of improvement required for said subdivision in accordance with the requirements of the Rancho Cordova City Code and such standard specifications created by applicable City ordinances or resolutions which are in effect at the time of the installation of said improvements. The work required may lie within or outside the subdivision and must be completed within **24** months of the date of this agreement.

5. **Payment For Services**. Principal further agrees to promptly pay, when due, all costs for plan checking, inspection services and material testing performed by City pursuant to the requirements of Sections 12.03.210 et. seq. of the Rancho Cordova City Code.

6. **Sunridge Specific Plan Fee**. Principal acknowledges that the City is in the process of adopting one or more fees and/or financing mechanisms in order to implement provisions of the Sunridge Specific Plan, and that as of the time of recordation of the Final Map, these fees and/or financing mechanisms are not yet in effect. Principal acknowledges and agrees that with the exception of model homes, no building permits for any residential or non-residential structure shall be issued for any lot within the Final Map unless and until such fees have been approved by the City.

7. **Park Renovation Fee**. Principal acknowledges that the City has adopted a fee for the purpose of renovating existing parks in the amount of $733 per single family lot within the Final Map ("Park Renovation Fee"). Principal acknowledges and agrees that such fee will be paid prior to the issuance of a building permit for the respective lot.

8. **Acceptance of Improvements**. Upon satisfactory

completion of all public improvements in accordance with standard specifications created by City ordinances or resolutions which are in effect at the time of the installation of said improvements, City agrees to accept for maintenance the work of improvement within the dedicated parcels shown on said final subdivision map, and any off site easements granted, subject to the provisions of paragraph 8 hereof.

**9. Notice of Commencement of Work.** Principal shall notify the City Engineer in writing of the commencement of the work of improvements.

**10. Correction of Defects.** Principal agrees to remedy any defects in the improvement arising from faulty or defective construction of said improvements occurring within twelve months after acceptance thereof by City.

**11. Indemnity.** Principal shall indemnify and hold harmless City from any and all loss, damage or liability arising out of or resulting from Principal's performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, servants and employees. Principal shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings arising out of or resulting from the performance or nonperformance of this Agreement, that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgment that may be rendered against the City in any such action, suit or legal proceedings, or result thereof, regardless whether caused in part by a party indemnified hereunder.

**12. Extension of Completion Date.** If the construction of the work or improvement should be delayed without fault of Principal, the time for completion thereof may be extended by City for such period of time as City may deem reasonable.

**13. Improvement Security.** (a) Principal shall obtain and furnish to City an improvement security consisting of a surety bond in favor of City, issued by a corporate surety authorized to do business in the State of California, and in form approved by

City, securing the faithful performance by Principal of the work of improvement required, and also securing the payment of the costs and interest, if any, due under Sections 12.030.210 et seq. of the Rancho Cordova City Code, as provided in Paragraph 5 herein and an additional bond issued by a corporate surety authorized to do business in the State of California, in the amount of not less than 50 percent of the total estimated cost of the improvement, securing payment to contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement.

(b) In lieu of said corporate surety bonds, Principal may furnish an improvement security consisting of a letter of credit, certificate of deposit, or similar instrument of credit, in form satisfactory to City, issued by a financial institution subject to regulation by the State or Federal government, pledging that the funds necessary to meet the performance required herein are on deposit, and guaranteed for payment on demand. Said letter of credit, certificate of deposit, or similar instrument of credit shall provide that the funds designated therein shall become trust funds for the purposes set forth in said instrument.

(c) The failure of Principal to commence the required work of improvements, or to complete the same within the time required after commencement thereof, shall entitle City to the full payment of the security, or so much thereof as may be necessary to complete the required work of improvement. The amount of the surety bond for faithful performance shall be in the sum of **$360,900.00**. The amount of the surety bond for the payment of the claims of the contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement shall be at least 50 percent of the above amount. The letter of credit, certificate of deposit or similar instrument of credit, or cash deposit for faithful performance, shall be in the above amount plus an additional 50 percent for the purposes set forth herein.

**14. Improvement Security As Condition Precedent.** The furnishing of the improvement security by Principal as required

by paragraph 11 hereof shall be a condition precedent to acceptance by City of the above described real property and the performance by the City of the covenants herein on its part to be performed.

**15. Inspection of Work In Progress.** (a) Principal may request The City Engineer to inspect the work as it progresses. If the work performed is found to be in accordance with the requirements of City, it may be accepted as it progresses and a partial refund of the cash deposit, or a release pro tanto of the faithful performance bond, letter of credit, certificate of deposit or similar instrument of credit shall be made in a sum in the same ratio to the total deposit as the work accepted bears to the total work to be done. No refund in excess of 85 percent of the total amount of the improvement security for faithful performance shall be made until all the work has been completed and accepted.

(b) The determination of the Administrator of Public Works of City as to the amount of work done, and the amount of refund or partial release pro tanto, shall be final and conclusive. When the work of improvement is accepted, 10 percent of the improvement security shall be retained to guarantee faithful performance of the provisions of paragraph 8 of this Agreement.

(c) Improvement security given to secure payment to contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the work of improvement may, six months after completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which an action has been filed, and notice thereof given in writing to City, and if there are no actions filed, such improvement security may be released in full.

**16. Execution By Real Party In Interest.** Where title to the subdivision property is held by the record owner thereof under a holding Agreement, this Agreement and the bond given pursuant thereto must be executed by the real party or parties in interest.

**17. Waiver of Civil Code Section 2819.** Any extension of

time hereunder shall not operate to release the surety on the bond filed pursuant to this Agreement. In this connection the surety waives the provisions of Section 2819 of the Civil Code of the State of California.

**18. City Construction of Improvements.** In the event that all or any portion of the works of improvement contemplated herein are proposed to be constructed by street improvement proceedings under the control of City, the undertaking of such proceedings shall in no way relieve Principal of any duties under this Agreement, except where all of the works of improvement that are required under this Agreement have in fact been constructed and accepted by City.

**19. Interest.** Interest shall accrue at the highest rate permitted by law on all sums from the date payment is due under the terms of this agreement and the sum due is certain or reasonably capable of being made certain.

**20. Attorneys' Fees.** In the event that it is necessary for the City to enforce the obligations secured by the improvement security furnished pursuant to Paragraph 11 hereof, the City shall be entitled to recover its costs and reasonable expenses and fees, including reasonable attorneys' fees, as provided for in Government Code Section 66499.4.

**21. Amendments.** This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by the parties hereto.

**22. Entire Agreement.** This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supercedes all prior negotiations, representations or agreements, oral or written, that may be related to the subject matter of this Agreement.

**23. Construction and Interpretation.** It is agreed and acknowledged by the Principal that the provisions of this Agreement have been arrived at through negotiation, and that the Principal has had a full and fair opportunity to revise the

provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**24. Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

**25. Time.** Time is of the essence in the performance of each and every term of this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first above written.

CITY OF RANCHO CORDOVA

By_____
MAYOR

CITY(SEAL)

ATTEST: _____
Clerk of the City Council

PRINCIPAL

By: MS RIALTO RESIDENTIAL HOLDINGS, LLC, a Delaware limited liability company, its member

By: MSR HOLDING COMPANY, LLC, a Delaware limited liability company, its member

By: LENNAR HOMES OF CALIFORNIA, a California corporation, its California manager

By:_____
Name :_____
Title: _____

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.7 NORTH DOUGLAS VILLAGE 7 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

## RECOMMENDATION

Adopt Resolution No. 28-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of Resolution No. 28-2009 will result in the City Council approving the substitution of the developer for the Subdivision Improvement Agreement **(Exhibit A)** for Subdivision No. RC-03-002.7 North Douglas Village 7 executed by MS Rialto Residential Holdings, LLC. This will guarantee the completion of the public improvements by providing adequate security and warranty.

## BACKGROUND

The original Subdivision Improvement Agreement (Agreement) was entered into with the City by US Home/KB North Douglas, LLC. The property is now in the ownership of MS Rialto North Douglas CA, LLC. The public improvements associated with the Agreement are approximately 80% complete. MS Rialto North Douglas CA, LLC is requesting the substitution of developer for the improvement agreement. Additionally, they have submitted a new executed performance bond and labor and material bond to ensure the completion of the public improvements.

Pursuant to Government Code Section 66499.7 (d) the original performance bonds have been reduced and may be substituted subject to approval of the local agency. The Public Works Department will release the original bonds to US Home/KB North Douglas CA, LLC upon the approval of the substituted Improvement Agreement.

## ATTACHMENT

Resolution No. 28-2009 including **(Exhibit A)** Subdivision Improvement Agreement.

**AGENDA ITEM 8.11**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 28-2009**

**A RESOLUTION OF THE CITY COUNCIL APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.7 NORTH DOUGLAS VILLAGE 7 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

**WHEREAS**, a Subdivision Improvement Agreement ("original Agreement") for Subdivision No. RC-03-002.7 North Douglas Village 7 was originally approved by City Council on April 17, 2006 by Resolution No. 42-2006; and

**WHEREAS**, the original Agreement was entered into with US Home/KB North Douglas, LLC, which was the owner of the property at that time; and

**WHEREAS**, since the original Agreement, US Home/KB North Douglas, LLC has sold their interest in the property to MS Rialto North Douglas CA, LLC; and

**WHEREAS**, currently, the public improvements required by the original Agreement are approximately 80% complete (Public Improvements); and

**WHEREAS**, MS Rialto Residential Holdings, LLC has provided the performance bonds and labor and material bonds required to complete the Public Improvements; and

**WHEREAS**, upon adoption of this resolution and the execution of the new Subdivision Improvement Agreement, the original Agreement and bonds provided by US Home/KB North Douglas, LLC shall no longer be valid and terminated.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** as follows:

A. The City Council approves the substitution of developer for the subdivision improvement agreement related to Subdivision No. RC-03-002.7 North Douglas Village 7 from US Home/KB North Douglas, LLC to MS Rialto North Douglas CA, LLC; and

B. The Mayor is authorized to execute the Subdivision Improvement Agreement with MS Rialto North Douglas CA, LLC in substantially the form set forth in **Exhibit A**.

C. The City Council authorizes staff to perform all necessary actions needed to carry out the purpose of this resolution.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT A**

# SUBDIVISION IMPROVEMENT AGREEMENT

**THIS AGREEMENT** entered into this _____ day of _____, 2___, by and between the City of Rancho Cordova, (hereinafter "City"), and **MS RIALTO NORTH DOUGLAS CA, LLC, a Delaware limited liability company** hereinafter "Principal").

## RECITALS

**WHEREAS,** Section 66462 of the Government Code provides that if the work of improvement required therein is not completed prior to the acceptance of a final subdivision map, the owner of the subdivision may enter into an agreement with the City to perform the work of improvement as required by said sections in consideration of the acceptance of said final subdivision map by the City; and

**WHEREAS,** Section 66499 of the Government Code requires that said Agreement be secured by a surety bond or by an instrument of credit issued by a financial institution subject to regulation by the State or federal governments or by a cash deposit; and

**WHEREAS,** Section 66499.3 establishes the types and amount of security to guarantee the performance of any such improvement agreement; and

**WHEREAS,** City and Principal desire to enter into an improvement agreement as authorized by the Subdivision Map Act under the terms and conditions hereinafter set forth.

**NOW, THEREFORE,** in consideration of the mutual promises, conditions and covenants hereinafter set forth, City and Principal agree as follows:

1. **Incorporation of Recitals**. The foregoing recitals are hereby incorporated by reference.

2. **Findings and Conditions of Subdivision Map**. Principal recognizes that approval of his subdivision was subject to the findings and conditions attached to such approval and hereby acknowledges and agrees to be bound by such findings and conditions.

3. **City Approval of Subdivision Map**. City agrees to approve the final map of the subdivision presented to it by Principal and designated **Subdivision No. RC-03-002.7 North Douglas Village 7**, and to accept on behalf of the public all lands, rights of way and easements therein offered in dedication, in accordance with the conditions hereinafter set forth.

4. **Completion of Improvements**. In consideration of such approval, Principal agrees to complete the work of improvement required for said subdivision in accordance with the requirements of the Rancho Cordova City Code and such standard specifications created by applicable City ordinances or resolutions which are in effect at the time of the installation of said improvements. The work required may lie within or outside the subdivision and must be completed within **24** months of the date of this agreement.

5. **Payment For Services**. Principal further agrees to promptly pay, when due, all costs for plan checking, inspection services and material testing performed by City pursuant to the requirements of Sections 12.03.210 et. seq. of the Rancho Cordova City Code.

6. **Sunridge Specific Plan Fee**. Principal acknowledges that the City is in the process of adopting one or more fees and/or financing mechanisms in order to implement provisions of the Sunridge Specific Plan, and that as of the time of recordation of the Final Map, these fees and/or financing mechanisms are not yet in effect. Principal acknowledges and agrees that with the exception of model homes, no building permits for any residential or non-residential structure shall be issued for any lot within the Final Map unless and until such fees have been approved by the City.

7. **Park Renovation Fee**. Principal acknowledges that the City has adopted a fee for the purpose of renovating existing parks in the amount of $733 per single family lot within the Final Map ("Park Renovation Fee"). Principal acknowledges and agrees that such fee will be paid prior to the issuance of a building permit for the respective lot.

8. **Acceptance of Improvements**. Upon satisfactory

completion of all public improvements in accordance with standard specifications created by City ordinances or resolutions which are in effect at the time of the installation of said improvements, City agrees to accept for maintenance the work of improvement within the dedicated parcels shown on said final subdivision map, and any off site easements granted, subject to the provisions of paragraph 8 hereof.

**9. Notice of Commencement of Work.** Principal shall notify the City Engineer in writing of the commencement of the work of improvements.

**10. Correction of Defects.** Principal agrees to remedy any defects in the improvement arising from faulty or defective construction of said improvements occurring within twelve months after acceptance thereof by City.

**11. Indemnity.** Principal shall indemnify and hold harmless City from any and all loss, damage or liability arising out of or resulting from Principal's performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, servants and employees. Principal shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings arising out of or resulting from the performance or nonperformance of this Agreement, that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgment that may be rendered against the City in any such action, suit or legal proceedings, or result thereof, regardless whether caused in part by a party indemnified hereunder.

**12. Extension of Completion Date.** If the construction of the work or improvement should be delayed without fault of Principal, the time for completion thereof may be extended by City for such period of time as City may deem reasonable.

**13. Improvement Security.** (a) Principal shall obtain and furnish to City an improvement security consisting of a surety bond in favor of City, issued by a corporate surety authorized to do business in the State of California, and in form approved by

City, securing the faithful performance by Principal of the work of improvement required, and also securing the payment of the costs and interest, if any, due under Sections 12.030.210 et seq. of the Rancho Cordova City Code, as provided in Paragraph 5 herein and an additional bond issued by a corporate surety authorized to do business in the State of California, in the amount of not less than 50 percent of the total estimated cost of the improvement, securing payment to contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement.

(b) In lieu of said corporate surety bonds, Principal may furnish an improvement security consisting of a letter of credit, certificate of deposit, or similar instrument of credit, in form satisfactory to City, issued by a financial institution subject to regulation by the State or Federal government, pledging that the funds necessary to meet the performance required herein are on deposit, and guaranteed for payment on demand. Said letter of credit, certificate of deposit, or similar instrument of credit shall provide that the funds designated therein shall become trust funds for the purposes set forth in said instrument.

(c) The failure of Principal to commence the required work of improvements, or to complete the same within the time required after commencement thereof, shall entitle City to the full payment of the security, or so much thereof as may be necessary to complete the required work of improvement. The amount of the surety bond for faithful performance shall be in the sum of **$1,842,600.00.** The amount of the surety bond for the payment of the claims of the contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement shall be at least 50 percent of the above amount. The letter of credit, certificate of deposit or similar instrument of credit, or cash deposit for faithful performance, shall be in the above amount plus an additional 50 percent for the purposes set forth herein.

**14. Improvement Security As Condition Precedent.** The furnishing of the improvement security by Principal as required

by paragraph 11 hereof shall be a condition precedent to acceptance by City of the above described real property and the performance by the City of the covenants herein on its part to be performed.

**15. Inspection of Work In Progress.** (a) Principal may request The City Engineer to inspect the work as it progresses. If the work performed is found to be in accordance with the requirements of City, it may be accepted as it progresses and a partial refund of the cash deposit, or a release pro tanto of the faithful performance bond, letter of credit, certificate of deposit or similar instrument of credit shall be made in a sum in the same ratio to the total deposit as the work accepted bears to the total work to be done. No refund in excess of 85 percent of the total amount of the improvement security for faithful performance shall be made until all the work has been completed and accepted.

(b) The determination of the Administrator of Public Works of City as to the amount of work done, and the amount of refund or partial release pro tanto, shall be final and conclusive. When the work of improvement is accepted, 10 percent of the improvement security shall be retained to guarantee faithful performance of the provisions of paragraph 8 of this Agreement.

(c) Improvement security given to secure payment to contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the work of improvement may, six months after completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which an action has been filed, and notice thereof given in writing to City, and if there are no actions filed, such improvement security may be released in full.

**16. Execution By Real Party In Interest.** Where title to the subdivision property is held by the record owner thereof under a holding Agreement, this Agreement and the bond given pursuant thereto must be executed by the real party or parties in interest.

**17. Waiver of Civil Code Section 2819.** Any extension of

time hereunder shall not operate to release the surety on the bond filed pursuant to this Agreement. In this connection the surety waives the provisions of Section 2819 of the Civil Code of the State of California.

**18. City Construction of Improvements.** In the event that all or any portion of the works of improvement contemplated herein are proposed to be constructed by street improvement proceedings under the control of City, the undertaking of such proceedings shall in no way relieve Principal of any duties under this Agreement, except where all of the works of improvement that are required under this Agreement have in fact been constructed and accepted by City.

**19. Interest.** Interest shall accrue at the highest rate permitted by law on all sums from the date payment is due under the terms of this agreement and the sum due is certain or reasonably capable of being made certain.

**20. Attorneys' Fees.** In the event that it is necessary for the City to enforce the obligations secured by the improvement security furnished pursuant to Paragraph 11 hereof, the City shall be entitled to recover its costs and reasonable expenses and fees, including reasonable attorneys' fees, as provided for in Government Code Section 66499.4.

**21. Amendments.** This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by the parties hereto.

**22. Entire Agreement.** This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supercedes all prior negotiations, representations or agreements, oral or written, that may be related to the subject matter of this Agreement.

**23. Construction and Interpretation.** It is agreed and acknowledged by the Principal that the provisions of this Agreement have been arrived at through negotiation, and that the Principal has had a full and fair opportunity to revise the

provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**24. Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

**25. Time.** Time is of the essence in the performance of each and every term of this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first above written.

CITY OF RANCHO CORDOVA

By_____
MAYOR

CITY(SEAL)

ATTEST: _____
Clerk of the City Council

PRINCIPAL

By: MS RIALTO RESIDENTIAL HOLDINGS, LLC, a Delaware limited liability company, its member

By: MSR HOLDING COMPANY, LLC, a Delaware limited liability company, its member

By: LENNAR HOMES OF CALIFORNIA, a California corporation, its California manager

By:_____
Name :_____
Title: _____

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.8 NORTH DOUGLAS VILLAGE 8 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

## RECOMMENDATION

Adopt Resolution No. 29-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of Resolution No. 29-2009 will result in the City Council approving the substitution of the developer for the Subdivision Improvement Agreement **(Exhibit A)** for Subdivision No. RC-03-002.8 North Douglas Village 8 executed by MS Rialto Residential Holdings, LLC. This will guarantee the completion of the public improvements by providing adequate security and warranty.

## BACKGROUND

The original Subdivision Improvement Agreement (Agreement) was entered into with the City by US Home/KB North Douglas, LLC. The property is now in the ownership of MS Rialto North Douglas CA, LLC. MS Rialto North Douglas CA, LLC is requesting the substitution of developer for the improvement agreement. Additionally, they have submitted a new executed performance bond and labor and material bond to ensure the completion of the public improvements.

Pursuant to Government Code Section 66499.7 (d) the original performance bonds have been reduced and may be substituted subject to approval of the local agency. The Public Works Department will release the original bonds to US Home/KB North Douglas CA, LLC upon the approval of the substituted Improvement Agreement.

## ATTACHMENT

Resolution No. 29-2009 including **(Exhibit A)** Subdivision Improvement Agreement.

**AGENDA ITEM 8.12**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 29-2009**

**A RESOLUTION OF THE CITY COUNCIL APPROVING THE SUBSTITUTION OF DEVELOPER FOR THE SUBDIVISION IMPROVEMENT AGREEMENT RELATED TO SUBDIVISION NO. RC-03-002.8 NORTH DOUGLAS VILLAGE 8 AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

**WHEREAS**, a Subdivision Improvement Agreement ("original Agreement") for Subdivision No. RC-03-002.8 North Douglas Village 8 was originally approved by City Council on April 17, 2006 by Resolution No. 43-2006; and

**WHEREAS**, the original Agreement was entered into with US Home/KB North Douglas, LLC, which was the owner of the property at that time; and

**WHEREAS**, since the original Agreement, US Home/KB North Douglas, LLC has sold their interest in the property to MS Rialto North Douglas CA, LLC; and

**WHEREAS**, MS Rialto Residential Holdings, LLC has provided the performance bonds and labor and material bonds required to complete the Public Improvements; and

**WHEREAS**, upon adoption of this resolution and the execution of the new Subdivision Improvement Agreement, the original Agreement and bonds provided by US Home/KB North Douglas, LLC shall no longer be valid and terminated.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** as follows:

A. The City Council approves the substitution of developer for the subdivision improvement agreement related to Subdivision No. RC-03-002.8 North Douglas Village 8 from US Home/KB North Douglas, LLC to MS Rialto North Douglas CA, LLC; and

B. The Mayor is authorized to execute the Subdivision Improvement Agreement with MS Rialto North Douglas CA, LLC in substantially the form set forth in **Exhibit A**.

C. The City Council authorizes staff to perform all necessary actions needed to carry out the purpose of this resolution.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT A**

# SUBDIVISION IMPROVEMENT AGREEMENT

**THIS AGREEMENT** entered into this _____ day of _____, 2___, by and between the City of Rancho Cordova, (hereinafter "City"), and **MS RIALTO NORTH DOUGLAS CA, LLC, a Delaware limited liability company** hereinafter "Principal").

## RECITALS

**WHEREAS,** Section 66462 of the Government Code provides that if the work of improvement required therein is not completed prior to the acceptance of a final subdivision map, the owner of the subdivision may enter into an agreement with the City to perform the work of improvement as required by said sections in consideration of the acceptance of said final subdivision map by the City; and

**WHEREAS,** Section 66499 of the Government Code requires that said Agreement be secured by a surety bond or by an instrument of credit issued by a financial institution subject to regulation by the State or federal governments or by a cash deposit; and

**WHEREAS,** Section 66499.3 establishes the types and amount of security to guarantee the performance of any such improvement agreement; and

**WHEREAS,** City and Principal desire to enter into an improvement agreement as authorized by the Subdivision Map Act under the terms and conditions hereinafter set forth.

**NOW, THEREFORE,** in consideration of the mutual promises, conditions and covenants hereinafter set forth, City and Principal agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are hereby incorporated by reference.

2. **Findings and Conditions of Subdivision Map.** Principal recognizes that approval of his subdivision was subject to the findings and conditions attached to such approval and hereby acknowledges and agrees to be bound by such findings and conditions.

3. **City Approval of Subdivision Map**. City agrees to approve the final map of the subdivision presented to it by Principal and designated **Subdivision No. RC-03-002.8 North Douglas Village 8**, and to accept on behalf of the public all lands, rights of way and easements therein offered in dedication, in accordance with the conditions hereinafter set forth.

4. **Completion of Improvements**. In consideration of such approval, Principal agrees to complete the work of improvement required for said subdivision in accordance with the requirements of the Rancho Cordova City Code and such standard specifications created by applicable City ordinances or resolutions which are in effect at the time of the installation of said improvements. The work required may lie within or outside the subdivision and must be completed within **24** months of the date of this agreement.

5. **Payment For Services**. Principal further agrees to promptly pay, when due, all costs for plan checking, inspection services and material testing performed by City pursuant to the requirements of Sections 12.03.210 et. seq. of the Rancho Cordova City Code.

6. **Sunridge Specific Plan Fee**. Principal acknowledges that the City is in the process of adopting one or more fees and/or financing mechanisms in order to implement provisions of the Sunridge Specific Plan, and that as of the time of recordation of the Final Map, these fees and/or financing mechanisms are not yet in effect. Principal acknowledges and agrees that with the exception of model homes, no building permits for any residential or non-residential structure shall be issued for any lot within the Final Map unless and until such fees have been approved by the City.

7. **Park Renovation Fee**. Principal acknowledges that the City has adopted a fee for the purpose of renovating existing parks in the amount of $733 per single family lot within the Final Map ("Park Renovation Fee"). Principal acknowledges and agrees that such fee will be paid prior to the issuance of a building permit for the respective lot.

8. **Acceptance of Improvements**. Upon satisfactory

completion of all public improvements in accordance with standard specifications created by City ordinances or resolutions which are in effect at the time of the installation of said improvements, City agrees to accept for maintenance the work of improvement within the dedicated parcels shown on said final subdivision map, and any off site easements granted, subject to the provisions of paragraph 8 hereof.

**9. Notice of Commencement of Work.** Principal shall notify the City Engineer in writing of the commencement of the work of improvements.

**10. Correction of Defects.** Principal agrees to remedy any defects in the improvement arising from faulty or defective construction of said improvements occurring within twelve months after acceptance thereof by City.

**11. Indemnity.** Principal shall indemnify and hold harmless City from any and all loss, damage or liability arising out of or resulting from Principal's performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, servants and employees. Principal shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings arising out of or resulting from the performance or nonperformance of this Agreement, that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgment that may be rendered against the City in any such action, suit or legal proceedings, or result thereof, regardless whether caused in part by a party indemnified hereunder.

**12. Extension of Completion Date.** If the construction of the work or improvement should be delayed without fault of Principal, the time for completion thereof may be extended by City for such period of time as City may deem reasonable.

**13. Improvement Security.** (a) Principal shall obtain and furnish to City an improvement security consisting of a surety bond in favor of City, issued by a corporate surety authorized to do business in the State of California, and in form approved by

City, securing the faithful performance by Principal of the work of improvement required, and also securing the payment of the costs and interest, if any, due under Sections 12.030.210 et seq. of the Rancho Cordova City Code, as provided in Paragraph 5 herein and an additional bond issued by a corporate surety authorized to do business in the State of California, in the amount of not less than 50 percent of the total estimated cost of the improvement, securing payment to contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement.

(b) In lieu of said corporate surety bonds, Principal may furnish an improvement security consisting of a letter of credit, certificate of deposit, or similar instrument of credit, in form satisfactory to City, issued by a financial institution subject to regulation by the State or Federal government, pledging that the funds necessary to meet the performance required herein are on deposit, and guaranteed for payment on demand. Said letter of credit, certificate of deposit, or similar instrument of credit shall provide that the funds designated therein shall become trust funds for the purposes set forth in said instrument.

(c) The failure of Principal to commence the required work of improvements, or to complete the same within the time required after commencement thereof, shall entitle City to the full payment of the security, or so much thereof as may be necessary to complete the required work of improvement. The amount of the surety bond for faithful performance shall be in the sum of **$577,300.00.** The amount of the surety bond for the payment of the claims of the contractor, his subcontractors, and to persons renting equipment or furnishing labor or materials for the improvement shall be at least 50 percent of the above amount. The letter of credit, certificate of deposit or similar instrument of credit, or cash deposit for faithful performance, shall be in the above amount plus an additional 50 percent for the purposes set forth herein.

**14. Improvement Security As Condition Precedent.** The furnishing of the improvement security by Principal as required

by paragraph 11 hereof shall be a condition precedent to acceptance by City of the above described real property and the performance by the City of the covenants herein on its part to be performed.

**15. Inspection of Work In Progress.** (a) Principal may request The City Engineer to inspect the work as it progresses. If the work performed is found to be in accordance with the requirements of City, it may be accepted as it progresses and a partial refund of the cash deposit, or a release pro tanto of the faithful performance bond, letter of credit, certificate of deposit or similar instrument of credit shall be made in a sum in the same ratio to the total deposit as the work accepted bears to the total work to be done. No refund in excess of 85 percent of the total amount of the improvement security for faithful performance shall be made until all the work has been completed and accepted.

(b) The determination of the Administrator of Public Works of City as to the amount of work done, and the amount of refund or partial release pro tanto, shall be final and conclusive. When the work of improvement is accepted, 10 percent of the improvement security shall be retained to guarantee faithful performance of the provisions of paragraph 8 of this Agreement.

(c) Improvement security given to secure payment to contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the work of improvement may, six months after completion and acceptance of the work, be reduced to an amount not less than the total of all claims on which an action has been filed, and notice thereof given in writing to City, and if there are no actions filed, such improvement security may be released in full.

**16. Execution By Real Party In Interest.** Where title to the subdivision property is held by the record owner thereof under a holding Agreement, this Agreement and the bond given pursuant thereto must be executed by the real party or parties in interest.

**17. Waiver of Civil Code Section 2819.** Any extension of

time hereunder shall not operate to release the surety on the bond filed pursuant to this Agreement. In this connection the surety waives the provisions of Section 2819 of the Civil Code of the State of California.

**18. City Construction of Improvements.** In the event that all or any portion of the works of improvement contemplated herein are proposed to be constructed by street improvement proceedings under the control of City, the undertaking of such proceedings shall in no way relieve Principal of any duties under this Agreement, except where all of the works of improvement that are required under this Agreement have in fact been constructed and accepted by City.

**19. Interest.** Interest shall accrue at the highest rate permitted by law on all sums from the date payment is due under the terms of this agreement and the sum due is certain or reasonably capable of being made certain.

**20. Attorneys' Fees.** In the event that it is necessary for the City to enforce the obligations secured by the improvement security furnished pursuant to Paragraph 11 hereof, the City shall be entitled to recover its costs and reasonable expenses and fees, including reasonable attorneys' fees, as provided for in Government Code Section 66499.4.

**21. Amendments.** This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by the parties hereto.

**22. Entire Agreement.** This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supercedes all prior negotiations, representations or agreements, oral or written, that may be related to the subject matter of this Agreement.

**23. Construction and Interpretation.** It is agreed and acknowledged by the Principal that the provisions of this Agreement have been arrived at through negotiation, and that the Principal has had a full and fair opportunity to revise the

provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**24. Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

**25. Time.** Time is of the essence in the performance of each and every term of this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first above written.

CITY OF RANCHO CORDOVA

By_____
MAYOR

CITY(SEAL)

ATTEST: _____
Clerk of the City Council

PRINCIPAL

By: MS RIALTO RESIDENTIAL HOLDINGS, LLC, a Delaware limited liability company, its member

By: MSR HOLDING COMPANY, LLC, a Delaware limited liability company, its member

By: LENNAR HOMES OF CALIFORNIA, a California corporation, its California manager

By:_____
Name :_____
Title: _____

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE THIRD CONTRACT AMENDMENT WITH BUREAU VERITAS NORTH AMERICA, INC.**

## RECOMMENDATION

Adopt Resolution No. 31-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of this resolution will authorize the City Manager to execute the third amendment contract with Bureau Veritas North America, Inc. (Contact No. 20-2009) to continue providing on-call building plan review and inspection services for the Building and Safety Department. The amendment will increase the total contract amount from $200,000 to $420,000 and extend the term of service to June 30, 2010.

## BACKGROUND

In July 2005, the City entered into an agreement with Bureau Veritas North America, Inc. to provided on-call building plan review and inspection services to the Building and Safety Department. Since that time, the contract has had two contract amendments which increased the contract amount to $200,000 and extended the term of service to June 30, 2009. In evaluating work performed under the existing contract and forecasting the potential work effort that will need to be done over the next year, it is necessary to increase the current limit from $200,000 to $420,000 and extend the expiration date to June 30, 2010. The Department is also pursuing on call contracts with three other consultants for similar type of services.

## ATTACHMENT

Resolution No. 31-2009 including **Exhibit 1** – Contract No. 20-2009.

**AGENDA ITEM 8.13**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 31-2009**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AUTHORIZING THE CITY MANAGER TO EXECUTE A THIRD AMENDMENT CONTRACT WITH BUREAU VERITAS NORTH AMERICA, INC**

**WHEREAS**, on July 1, 2005, the City of Rancho Cordova executed Contract 29-2005 with Bureau Veritas North America, Inc. to provide on-call building plan review and inspection services to the Building and Safety Department; and

**WHEREAS**, the City evaluated the need for services and executed contract amendments (Contract No. 106-2007 and Contract No. 113-2008) bringing the total contract amount to $200,000; and

**WHEREAS**, continuance of these services will exceed the existing contract maximum; and

**WHEREAS**, the City wishes to extend the contract amount to $420,000 and extend the term of services to June 30, 2010; and

**WHEREAS**, these services will exceed the maximum amount the City Manager has the authorization to approve.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Rancho Cordova authorizes the City Manager to execute a contract third amendment with Bureau Veritas North America, Inc. **(Exhibit 1)**, in a form approved by the City Attorney.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

# THIRD AMENDMENT TO THE CONSULTING SERVICES AGREEMENT BETWEEN THE CITY OF RANCHO CORDOVA AND BUREAU VERITAS NORTH AMERICA, INC.

This Third Amendment to the Agreement for Consultant Services ("Third Amendment") is made by and between the City of Rancho Cordova ("City") and Bureau Veritas North America, Inc. ("Consultant") as of April 6, 2009.

## RECITALS

**WHEREAS**, the parties have previously entered into a consultant services agreement ("CSA") dated July 1, 2005 (Contract No. 29-2005) for the purpose of providing building plan review and inspection services; and

**WHEREAS**, this Amendment will continue services provided by Consultant for an additional year which will increase the contract amount; and

**WHEREAS**, the parties agree that changes to term of services provided in the CSA is necessary in order for the City to continue receiving services by consultant.

**NOW, THEREFORE**, the parties hereto agree as follows:

## AGREEMENT

1. The Parties agree to modify the end date of the CSA to June 30, 2010. The first sentence of Section 1.1 of the CSA, "Term of Service," is amended to read as follows:

   "The term of this Agreement shall begin on the date first noted above and shall end on June 30, 2010, and Consultant shall complete the work described in **Exhibit A** prior to that date; unless the term of the Agreement is otherwise terminated or extended, as provided in Section 8."

2. Section 2 of the CSA, "Compensation". This amount shall now be amended to read as "Four Hundred Twenty Thousand Dollars ($420,000). The Parties agree to amend Section 2 of the CSA in order to increase the compensation amount to pay Consultant for additional services.

3. The document entitled "Scope of Work," attached hereto as **Exhibit A**, shall replace and supersede the CSA's **Exhibit A**.

4. The document entitled "Compensation Schedule," attached hereto as **Exhibit B**, shall replace and supersede the CSA's **Exhibit B**.

5. All other terms and conditions in the CSA shall remain in full force and effect to the extend they are not in conflict with this Amendment.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on the day and year first above written.

**CITY OF RANCHO CORDOVA**

_____

**Ted A. Gaebler, City Manager**

Date:_____

Attest:

_____

**Mindy Cuppy, City Clerk**

Date:_____

Approved as to Form:

_____

**Adam Lindgren, City Attorney**

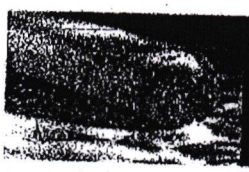
Date:_____

**CONSULTANT**

_____

**Bureau Veritas North America, Inc.**

Date:_____



# Scope of Work



## Plan Review Services

It is our intention to consistently beat the plan review turnaround times while assuring continuous quality and reasonable implementation of the state codes and any local amendments. Our staff will consult closely with the Building Official and Fire Marshal or their designated representatives on any grey areas of the code or alternate methods being proposed and considered.

We have specific experience working through a variety of challenges including, but not limited to, infill commercial development, adaptive reuse and change of occupancies of existing buildings, technical historic restorations, retrofit of un-reinforced masonry or soft-story buildings, large commercial shopping centers and mixed-use multifamily developments, live-work projects and high tech, research and development facilities, and public works such as water treatment plants, recreation facilities, fire stations, etc.

We have developed in-depth training materials in order to bring our staff and yours up to speed and are also offering these services volunteering through local ICC chapters and other organizations.

In order to always ensure we have adequate resources to beat turnaround goals, we are currently combining the functions of our Citrus Heights and Pleasanton plan review offices into a Sacramento hub. **Thomas Curtis, SE** serves as the **Plan Review Services Director** of these two offices, and is working to implement and maintain seamless coordination between them. **What this means for you is a high level of confidence we will always be able to meet or exceed your project turnaround goals no matter the size or complexity of the project.**

While we anticipate the majority of work for the City to be completed locally at our Citrus Heights office or as needed at the City of Rancho Cordova's offices, Thomas Curtis, SE will work closely with Robert DeKruse and the managers of our two plan review offices to ensure continuous availability of resources to assist the City in successfully meeting its plan review time schedules. All personnel assigned to the City's projects will have available the necessary materials, resources and training to conduct plan reviews, including copies of applicable City amendments, policies, procedures and forms. **The City of Rancho Cordova can be further assured that we will NOT assign unqualified or other staff that does not meet the high standards of the City of Rancho Cordova.**

In addition, Bureau Veritas has included in our team of professionals, experienced, fully certified Fire Protection Engineers and staff for the review and inspection of residential, commercial and industrial projects. Our Fire Protection Engineers and staff are experienced in the methodology and intent of the California Building and Fire Code. They will work closely with the Chief Building Official and local Fire Administrator to resolve all project issues.

## Bureau Veritas proposes the following approach to plan review services:

## Pick Up and Delivery of Plans and Documents

Bureau Veritas will pick up all documents to be reviewed from the City of Rancho Cordova's Building Division, and will maintain complete records related to all plans, calculations, and documents received. **We would also encourage the City and it's applicants to submit documents electronically, as we are second-to-none, in fact the forerunner in electronic plan review.**

## Innovative Project Tracking and Delivery

Bureau Veritas offers its clients traditional and non-traditional approaches to tracking, coordination, and delivery of submittals. We can design and implement the process that best fit your needs by using traditional or non-traditional methods, or a combination of both.

Our traditional methods assure that submittals are properly coordinated and tracked, by following an established internal plan check coordination process in which each plan received for review, entered into our Deltek database, processed and returned on time to the client. Our plan tracking procedures are designed to track each submittal throughout the review process and maintain accurate and comprehensive records for each submittal.

Bureau Veritas also offers an innovative submittal tracking system: BVnet, a web based tool accessible by our clients, partners and employees. BVnet delivers online reports, certificates, photos, drawings and other project/contract data to our clients, and it is a secure place to view global project status.

One of the many benefits of BVnet is the improvement of project management procedures and the enhancement of communications between our building safety professionals and the Client's staff. By allowing a better coordination of plan review activities (schedules, procedures, reports), it simplifies administrative processes, eliminates non productive tasks (phone, fax, email ...), reduces paper, indicative of our green building commitment, and streamlines communication between contract participants.

## Performing Plan Reviews

Upon completion of each plan review (first and subsequent checks), Bureau Veritas will return the reviewed documents to the City and provide an electronic and hard copy of the plan review comments. Once the plan review is completed and ready for approval, Bureau Veritas will stamp the plans and supporting documents approved and return them to the City as requested.

Bureau Veritas will not recommend approval to the City until all code compliance issues are resolved to the best of our team's knowledge and all permit issuance requirements of the City Building Division are satisfied. Bureau Veritas will contact the City if there are questions, and will respond within one business day upon each notification that a plan check is authorized. In all cases, BV will reflect the philosophies expressed by the City's CBO.

Bureau Veritas will conduct and coordinate all communications with the City's representative for plan review comments of those items needing correction, clarification, or change to achieve compliance with applicable building laws, ordinances, and regulations. Bureau Veritas will not contact the applicant directly unless directed to do so by the City. The City will notify the applicant when plans are approved, and the permit is ready to be issued.

Code interpretations are always subject to final review and approval by the Chief Building Official. All plan review comments submitted by Bureau Veritas are subject to the review by the City.

## Meetings and Communications

Our professional plan review team will be available, with prior notification of at least 24 hours, to respond to questions from the City that may be generated during field inspection for each authorized plan check that is subsequently issued a permit for construction. Typically, inspectors have the ability to call our plan review engineers from the field with questions for instantaneous clarification. Bureau Veritas will be prepared to visit the project sites, review shop drawings, work with other employees and consultants, and perform other tasks pertaining to the plan review and approval process, as needed for your projects, at no extra cost to the City on projects paid on percentage.

The project team assigned to provide services to the City of Rancho Cordova will be available to attend meetings at the City's offices to address questions or discuss issues with City staff, design team and/or construction team that may arise on a project at no additional cost to the City for projects paid on percentage.

To support our plan review team's service requirements, Bureau Veritas has created a team of professionals that will answer status questions that arise from the City staff, applicants, contractors, and designers during and after the plan check process. Our document control staff will keep track of plans as they are received at the Citrus Heights office, and will provide status information as required by the City.

## Field Inspection Services

To meet field inspection service requirements, Bureau Veritas proposes to provide an inspection team led by **Robert DeKruse**, currently serving as the Director of Inspection Services for Bureau Veritas. Robert will coordinate with the City on all field inspections requests, as they will be performed through the City Building and Safety Department and under the direction of City staff.

The Bureau Veritas Inspection Team includes staff with multiple certifications to assure compliance with all requirements mandated by the State and local ordinances in your jurisdiction. All our professionals selected for this proposal are ICC certified, as well as certified in each area of their expertise.

Bureau Veritas will provide field inspection for the City's projects for compliance with State of California Building, Mechanical, Plumbing, Electrical, Energy and Fire Codes, as amended by the City and as designated by the City.

Our Inspection Team may also provide On-Call Building and Fire Inspection services to cover staff vacation time, peak work loads, specialized inspection activities and others as needed. These activities may include:

- Next-day inspections.
- Same-day response to uniquely important or urgent inspection requests.
- Inspections of a clearly urgent nature (urgent life-safety concerns).

Typically, our building inspection services consist of the required inspections as identified in the CBSC:

- Foundation Inspections
- Framing Inspections
- Gas and Electrical Panel Hookup Inspections
- Roof & Shear Inspections
- Concrete Slab Under-Floor Inspections
- Energy Code Inspections (includes Insulation)
- Electrical, Mechanical and Plumbing Inspections
- Sheetrock Nail Inspections
- Final Inspection (Certificate of Occupancy)

Additional Inspections will be provided in accordance with the City's policies and procedures, and may include the following:

- Non-Structural Fire and Life Safety Inspections
- Structural Inspections
- Barrier Free Inspections

## Permit Processing Services

Bureau Veritas will establish a Permit Process, consistent with service goals desired, and as needed by the City. Our project team can assist your Building Department in developing procedures for over the counter plan checks. All permit processing and counter services will be performed at the City's Building Division office by a qualified and properly trained Bureau Veritas Permit Technician who will work under the direction of City staff.

Bureau Veritas will obtain direction from the City regarding the types of projects that will qualify for over-the-counter service. At the request of the City, handouts and checklists can be developed to establish a routine set of guidelines to streamline the application for permit process.

In addition to over the counter plan checks, our Permit Technician may provide services that include but are not limited to the following:

- Create public informational documents such as handouts to explain technical issues or requirements for permit issuance, etc.
- Establish and maintain the file systems necessary to keep track of in-process applications, permits that have been issued, plan checks in-process, approved plans, and other appropriate filing and systems.
- Develop and/or maintain reports such as applications submitted, permits issued, inspections requested and completed, revenues collected, etc.

# Project Deliverables



## Summary of Project Deliverables

### Plan Review Services

Bureau Veritas will provide plan review services at our Citrus Heights office to match the service goals established by the City of Rancho Cordova. Our team of professionals may also perform plan reviews at the City's and Safety Department if space is available, or if requested by the Building Official. Bureau Veritas will provide assigned personnel with all necessary materials, resources and training to conduct plan reviews, including copies of applicable City and State Code amendments, policies, procedures and forms.

It is our intention to consistently beat the plan review turnaround times while assuring continuous quality and reasonable implementation of the State codes and any local amendments. Our staff will consult closely with the Building Official and Fire Marshal or their designated representatives on any grey areas of the code or alternate methods being proposed and considered.

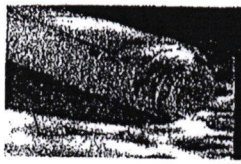
### Field Inspection Services

Bureau Veritas will provide field inspection for the City's projects for compliance with State of California Building, Mechanical, Plumbing, Electrical, Energy and Fire Codes, as amended by the City and as designated by the City.

The Bureau Veritas Inspection Team includes staff with multiple certifications to assure compliance with all requirements mandated by the State and local ordinances, and your jurisdiction. All our professionals selected for this proposal are ICC certified, as well as certified or licensed by the State in each area of their building safety expertise.

### Permit Processing Services

Bureau Veritas wil provide permit processing and counter services consistent with service goals desired, and as needed by the City. Our project team can assist your Building Department in developing procedures for over the counter plan checks. All permit processing and counter services will be performed at the City's Building and Safety Department by qualified and properly trained Bureau Veritas Permit Technician who will work under the direction of City staff.



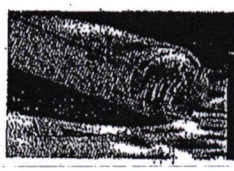
# Project Deliverables



## Schedule of Project Deliverables

| Scope of Services | Task | Deliverable | Turnaround Time |
|---|---|---|---|
| **Plan Review Services** | Request for Documents Pick-up | BV to pick up documents from the City offices within 24 hours of notification. | As notified by the City |
| | First plan review (compliance with International Building Codes, California Energy Code and all State and Local regulations adopted by the City of Rancho Cordova). | Return reviewed plans and documents to the City and provide an electronic and hard copy of the plan review comments. | 5 business days on residential and non-complex commercial reviews. 5 -10 bus. days on complex comm. reviews, on a mutually agreed basis |
| | Subsequent plan reviews (To verify corrections per the comments list) | Return reviewed plans and documents to the City and provide an electronic and hard copy of the plan review comments. | 5 business days |
| | Final review prior to recommendation for Approval | Two (2) complete sets of all final review documents annotated as approved to the City of Rancho Cordova. | Next business day after approval by Bureau Veritas |
| | Questions/Request from the City regarding plan reviews and/or inspections | Meeting with City staff to discuss issues | 1 business day notice prior to meeting |
| **Field Inspection Services** | Standard field inspections (compliance with International Building Codes, California Energy Code and all State and Local regulations adopted by the City of Rancho Cordova). | Perform inspection, and submit pertinent reports to the City | 1 business day notice prior to inspection |
| | Special field inspections (same-day request, life-safety concerns) | Perform inspection, and submit pertinent reports to the City | Same day of notice |
| **Permit Processing Services** | Permit/Counter services to applicants and general public at the City's office | Customer service at the City's Building and Safety Department counter, including public informational documents, handouts, file systems for applications and | 5 days per week, or at the Building Official's request |

| | | | |
|---|---|---|---|
| | | permits, and reports | |



# Cost Information



**Plan Review Package "B"**

Complete **nonstructural commercial** building plan review including CBC, CMC, CPC, CEC, California Energy Code (California Energy Efficiency Standards), and City specific regulations and policies will be charged forty percent (40%) of the plan review fee received by the City.

**Plan Review Package "C"**

Complete **structural commercial** building plan review including CBC and City specific regulations and policies will be charged at forty percent (40%) of the plan review fee collected by the City.

**Plan Review Package "D"**

**Complete residential** building plan review including structural and nonstructural CBC, CMC, CPC, CEC, California Energy Code (California Energy Efficiency Standards), and the City specific regulations and policies will be charged at fifty-five percent (55%) of the plan review fee collected by the City.

**Plan Review Package "E"**

Complete **structural residential** building plan review including CBC and City specific regulations and policies will be charged at forty percent (40%) of the plan review fee collected by the City.

**Plan Review Package "F"**

Hourly fees for non structural plan review services are specified in Exhibit "A" depending on the complexity (Plans Examiner $80/hr. or Senior Plans Examiner $95/hr.)

**Plan Review Package "G"**

Hourly fees for structural plan review services are specified in Exhibit "A" depending on the complexity (Plan Review Engineer $100/hr. or Senior Plan Review Engineer $115/hr).

**Inspection Package "H"**

Hourly fee for commercial building inspection services covering building, plumbing, mechanical and electrical trades will be charged at $80/hr. for Inspector II level.

**Inspection Package "I"**

Hourly fee for residential building inspections covering building, plumbing, mechanical and electrical trades will be charged at $65/hr. for Inspector I level.

## Building Plan Review Fees

Fees for comprehensive plan reviews, performed at our Bureau Veritas offices, will be at the rates provided in the Plan Check "Packages". The jurisdiction will provide Bureau Veritas with jurisdiction plan review fees (project by project) for use in calculating our fees.

The above fee covers all services associated with the typical plan review, including:

- Hand pick-up and delivery of plan review documents at the jurisdiction.
- First review of a set of complete proposed working plans will not exceed five (5) business days for residential and non-complex commercial reviews; 5 – 10 business days on complex commercial reviews, as mutually agreed upon and approved by the jurisdiction on a case by case basis. More complex and some larger projects may require additional time as mutually agreed upon and approved by the jurisdiction on a case by case basis.
- Second and subsequent checks of (complete) documents shall be reviewed within five (5) business days. More complex and some larger projects may require additional time as mutually agreed upon and approved by the jurisdiction on a case by case basis.
- Third quick reviews, if necessary, to approve projects.
- Pre-application, pre-construction, or additional meeting attendance that is necessary for unusual or complex projects.
- Telephone calls from City or inspectors regarding questions from the field.

### Response Time Delays

As mentioned earlier in this proposal, Bureau Veritas is serious about providing the staff and systems so that we are always on time. **To prove it, we propose to raise the bar on the minimum response time delay requirements for the City of Rancho Cordova:**

If the plan review as noted above is completed and returned to the City in one (1) to five (5) working days in excess of the due date, a twenty percent (20%) reduction in our fee will be offered. If the plan review is completed and returned to the City in six (6) to ten (10) working days in excess of the due date, a fifty percent (50%) reduction in our fee will be offered. If the plan review time exceeds the due date by more than eleven (11) working days, the plan review will be free of charge to the City.

## Partial Plan Review Fees for Building Departments

### Plan Review Package "A"

**Complete structural and nonstructural commercial** building plan review including CBC, CMC, CPC, CEC, California Energy Code (California Energy Efficiency Standards), and City specific regulations and policies will be charged sixty percent (60%) of the plan review fee received by the City.

## Optional Plan Review Fees

Plan Review fee for Structural-only plan review will be fifty-five percent (55%) of the plan review fees received by the jurisdiction.

Special project fees (e.g., plumbing / mechanical / electrical-only, URM) can be based on a percentage of the plan review fee, hourly rate or other fee methods mutually agreeable to both parties.

The plan review fee for Special Projects or more Complex Projects, as determined by the City, may be negotiable.

## Other Potential Fee Types for Building Departments

For projects where percentage fees are not applicable, or for plan review projects requiring services far exceeding the normal expectations, the attached hourly rate listed in our Schedule of Rates will be used when approved and negotiated with the jurisdiction. (See Exhibit A)

## Inspection Fees for Building Departments

On-site field inspection related support services are performed on an hourly fee basis as listed in the attached Personnel Charges. Overtime hours are assessed at an additional twenty-five percent (25%) of the hourly rate. When requested by the jurisdiction, Bureau Veritas will provide transportation for inspection services at a rate of $0.505 per mile within the jurisdiction.

## Exhibit A

**Personnel Charges – Plan Review and Inspection Services**

| Personnel Description | Hourly Billing Rate |
|---|---|
| Principal | $150 |
| Supervising Plan Review Engineer/Associate | $125 |
| Senior Plan Review Engineer/Architect | $115 |
| Plan Review Engineer/Architect | $100 |
| Senior Plans Examiner | $95 |
| Plans Examiner | $80 |
| Permit Technician | $55 |
| Fire Plans Examiner | $95 |
| Clerical Support | $55 |
| | |
| Supervising Inspector/Project Manager | $110 |
| Senior Inspector | $87 |
| Inspector II | $85 |
| Inspector I | $75 |

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Jay Hadley, Information Technology Department

**SUBJECT:** **RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT WITH ESKEL PORTER CONSULTING, INC.**

## RECOMMENDATION

Adopt Resolution No. 34-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of this resolution will authorize the City Manager to execute an agreement with Eskel Porter Consulting, Inc. **(Exhibit A)**. This contract will allow for continued support services for the Finance Department's Microsoft Great Plains financial and payroll system, including project accounting assistance, integration of payroll processes with Automatic Data Processing, Inc. (ADP) and implementation of electronic timesheets. The previous two contracts ( Contract No. 74-2006 and Contract No. 134-2007) with Eskel Porter Consulting, Inc. equaled $164,647. The new contract is for an amount not to exceed $60,000 and expires on June 30, 2011.

## BACKGROUND

In July 2006 and September 2006, the City entered into two agreements with Eskel Porter Consulting, Inc. to review, evaluate and improve our Microsoft Great Plains system, our financial systems requirements, and implement the developer deposit and billing tracking and reporting systems. Since that time, the contracts have had two amendments, which extended the term of service to June 30, 2009.

Much progress has been made with implementing new modules and improving existing modules over the last two years. The project module, which tracks and processes developer deposits and monthly billings is greatly improved and fully functional. However, it is cumbersome and complex and still requires some level of ongoing technical support, by the consultant that helped to build and implement the module.

The only remaining process to implement in the Finance Department is electronic timesheets. Implementation of this feature will allow all employees to enter their time directly into the system. Currently all staff track their time worked on manual timesheets which are submitted to and entered into the system by Finance Department staff. Implementation of this feature will improve the efficiency of operations.

In order to increase operational efficiencies the City is exploring the option of outsourcing the processing of payroll to Automatic Data Processing, Inc., (ADP). Technical assistance from Eskel Porter will be needed to ensure that project accounting is not negatively affected during this transition.

For all other technical assistance, the Finance Department is transitioning towards increased use of Microsoft's online "Help Support" system, and plans to use the online system exclusively for the ongoing support needs of the Great Plains system after the expiration of this contract.

Staff is requesting a new contract, instead of amending one of the previous contracts, in order to clarify the new scope of services. Since the combined total of the amounts paid to Eskel Porter exceed the City Managers' expenditure authority of $100,000 this contract is presented to the City Council for consideration and approval.

## ATTACHMENT

Resolution No. 34-2009 including **Exhibit 1** – Contract No. 35-2009.

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 34-2009**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH ESKEL PORTER CONSULTING, INC.**

**WHEREAS,** the City desires to enter into a contract with Eskel Porter Consulting, Inc.; and

**WHEREAS,** the purpose of the contract is to provide ongoing technical assistance with the Great Plains Accounting system, creation of and maintenance to Crystal Reports, assistance with the outsourcing of payroll and implementation of electronic timesheets; and

**WHEREAS,** the contract is for an amount not to exceed $60,000; and

**WHEREAS,** the term of the contract is April 6, 2009 to June 30, 2011.

**NOW THEREFORE BE IT RESOLVED** that the City Council of the City of Rancho Cordova authorizes the City Manager of the City of Rancho Cordova to execute a contract with Eskel Porter Consulting, Inc **(Exhibit 1)**. This resolution shall become effective immediately upon adoption.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT 1**
CONTRACT NO.: 35-2009

# CONSULTING SERVICES AGREEMENT BETWEEN THE CITY OF RANCHO CORDOVA AND ESKEL PORTER CONSULTING, INC.

THIS AGREEMENT for consulting services is made by and between the City of Rancho Cordova ("City") and Eskel Porter Consulting, Inc. ("Consultant") as of April 6, 2009.

**Section 1.** **SERVICES**. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as **Exhibit A** at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and **Exhibit A**, the Agreement shall prevail.

1.1 **Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on June 30, 2011, the date of completion specified in **Exhibit A**, and Consultant shall complete the work described in **Exhibit A** prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.

1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices its profession. Consultant shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Consultant's profession.

1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.

1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.2 above and to satisfy Consultant's obligations hereunder.

**Section 2.** **COMPENSATION.** City hereby agrees to pay Consultant a sum not to exceed sixty thousand dollars ($60,000), notwithstanding any contrary indications that may be contained in Consultant's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Consultant's proposal, attached as **Exhibit B**, regarding the amount of compensation, the Agreement shall prevail. City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

**2.1** **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder, as well as a separate notice when the total number of hours of work by Consultant and any individual employee, agent, or subcontractor of Consultant reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in **Exhibit A**;
- The Consultant's signature.

**2.2** **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

**2.3** **Final Payment.** City shall pay the last 10% of the total sum due pursuant to this Agreement within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.

**2.4** **Total Payment.** City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement,

unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

2.5 **Hourly Fees.** Fees for work performed by Consultant on an hourly basis shall not exceed the amounts shown on the fee schedule set forth in **Exhibit B**.

2.6 **Reimbursable Expenses.** Reimbursable expenses, if any, are set forth in **Exhibit B**. Expenses not listed in Exhibit B are not chargeable to City. Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.

2.7 **Payment of Taxes.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.

2.8 **Payment upon Termination.** In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets in order to verify costs incurred to that date.

2.9 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

**Section 3.** **FACILITIES AND EQUIPMENT.** Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

**Section 4.** **INSURANCE REQUIREMENTS.** Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consultant shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the

subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution.

4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS ($1,000,000.00) per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Consultant shall notify City within 14 days of notification from Consultant's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **General requirements.** Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS ($1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 **Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 or GL 0002 (most recent editions) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 8 and 9. No endorsement shall be attached limiting the coverage.

**4.2.3** **Additional requirements.** Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

a. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.

b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.

d. Any failure of Consultant to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.

e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Consultant shall notify City within 14 days of notification from Consultant's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

**4.3** **Professional Liability Insurance.** Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS ($1,000,000) covering the licensed professionals' errors and omissions.

**4.3.1** Any deductible or self-insured retention shall not exceed $150,000 per claim.

**4.3.2** An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

**4.3.3** The following provisions shall apply if the professional liability coverages are written on a claims-made form:

a. The retroactive date of the policy must be shown and must be before the date of the Agreement.

b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.

c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five years after completion of the Agreement or the work. The City shall have the right to exercise, at the Consultant's sole cost and expense, any extended reporting provisions of the policy, if the Consultant cancels or does not renew the coverage.

d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

**4.4 All Policies Requirements.**

**4.4.1 Acceptability of insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

**4.4.2 Verification of coverage.** Prior to beginning any work under this Agreement, Consultant shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

**4.4.3 Subcontractors.** Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

**4.4.4 Variation.** The City may approve a variation in the foregoing insurance requirements, upon a determination that the coverages, scope, limits, and forms of such insurance are either not commercially available, or that the City's interests are otherwise fully protected.

4.4.5 **Deductibles and Self-Insured Retentions.** Consultant shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Consultant procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

4.4.6 **Notice of Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Consultant shall provide written notice to City at Consultant's earliest possible opportunity and in no case later than five days after Consultant is notified of the change in coverage.

4.5 **Remedies.** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

## Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

5.1 **General Requirement.** Consultant shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Consultant or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Consultant shall not apply when (1) the injury, loss of life, damage to property, or violation

of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Consultant or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 **PERS Indemnification.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

5.3 **Design Professionals.** Notwithstanding Sections 5.1 and 5.2, Consultant's duties to indemnify, defend and hold harmless the City shall be limited to the extent the services provided pursuant to this Agreement are "design professional services" subject to Section 2782.8 of the California Civil Code. In accordance with Civil Code Section 2782.8, Consultant shall, to the fullest extent allowed by law, with respect to all design professional services performed in connection with this Agreement, defend with counsel acceptable to City, indemnify, and hold City, its officers, employees, agents, and volunteers, harmless from and against any and all claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, ("Claims"). Consultant will bear all losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such Claims, whether directly or indirectly ("Liability"). Such obligations to defend, hold harmless and indemnify the City shall not apply to the extent that such Liability is caused by the sole negligence, active negligence, or willful misconduct of the City.

## Section 6. STATUS OF CONSULTANT.

6.1 **Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other

City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Consultant shall not allow any employee to become eligible for a claim for PERS benefits.

6.2 **Consultant No Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

## Section 7. LEGAL REQUIREMENTS.

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Consultant's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.

7.3 **Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.

7.4 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from City.

7.5 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this

Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

## Section 8. TERMINATION AND MODIFICATION.

**8.1 Termination.** City may cancel this Agreement at any time and without cause upon written notification to Consultant.

Consultant may cancel this Agreement upon 30 days' written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

**8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

**8.3 Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.

**8.4 Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.

**8.5** **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the termination of this Agreement.

**8.6** **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:

**8.6.1** Immediately terminate the Agreement;

**8.6.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

**8.6.3** Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or

**8.6.4** Charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

Bold

## Section 9. KEEPING AND STATUS OF RECORDS.

**9.1** **Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.

**9.2** **Consultant's Books and Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

**9.3** **Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds

expended under this Agreement exceeds TEN THOUSAND DOLLARS ($10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

## Section 10 MISCELLANEOUS PROVISIONS.

**10.1** **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

**10.2** **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Sacramento or in the United States District Court for the Eastern District of California.

**10.3** **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

**10.4** **No Implied Waiver of Breach**. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

**10.5** **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

**10.6** **Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.

**10.7** **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et.seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

**10.8** **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

**10.9** **Contract Administration.** This Agreement shall be administered by Jay Hadley ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

**10.10** **Notices.** Any written notice to Consultant shall be sent to:
John Schloemann
Eskel Porter Consulting, Inc.
723 S. Street
Sacramento, CA 95814

Any written notice to City shall be sent to:
City Clerk
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

**10.11** **Professional Seal.** Where applicable in the determination of the contract administrator, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.

| |
|---|
| _____<br>Seal and Signature of Registered Professional with report/design responsibility. |

**10.12** **Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as **Exhibit A**, and the compensation schedule attached hereto and incorporated herein as **Exhibit B**, represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.

**10.13** **IRS Form W-9.** Consultant shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

CITY OF RANCHO CORDOVA

_____

**Ted A. Gaebler, City Manager**

Date: _____

Attest:

_____

**Mindy Cuppy, City Clerk**

Date: _____

Approved as to Form:

_____

**Adam Lindgren, City Attorney**

Date: _____

CONSULTANT

_____

**John Schloemann, VP-Software Solutions**

Date: _____

Should this be Eskel Porter?

# EXHIBIT A

## SCOPE OF SERVICES

To provide ongoing technical assistance with the Great Plains Accounting software, Crystal Report creation as needed, system troubleshooting as needed, assistance with configuring the system to accommodate outsourcing of payroll and implementation of electronic timesheets.

# EXHIBIT B

## COMPENSATION SCHEDULE

Eskel Porter's implementation services are quoted at a time and material rate of $160 per hour. Services will be billed based upon actual hours incurred in fulfilling the scope of work and shall not exceed $60,000.

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Department

**SUBJECT:** **RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT CHANGE ORDER NO. 2 WITH GRANITE CONSTRUCTION COMPANY FOR CONSTRUCTION OF THE 2007/2008 PAVING REHABILITATION PROJECT PHASE 1**

## RECOMMENDATION

Adopt Resolution 35-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of this resolution will authorize the City Manager to execute contract Change Order No. 2 with Granite Construction Company **(Exhibit A)**, to increase the current contract amount from $2,242,566.32 to $2,294,465.42 for the construction of the 2007/2008 Paving Rehabilitation Project Phase 1. The contract expiration date will not be affected by this change order.

## BACKGROUND

The work performed under the construction contract included the furnishing of all labor, materials, and equipment for construction of pedestrian and ADA improvements and an asphalt overlay on Coloma Road from Folsom Boulevard to McGregor Drive. Also included was a slurry seal and base repairs to Mather Field Road from Highway 50 to Peter McCuen Drive, a landscape median along Coloma Road from Malaga Way to Dolecetto Drive, as well as the relocation of the bus stop located on the east side of Coloma Road near Chardonnay Drive.

Construction began May 28, 2008 and was substantially completed November 3, 2008. The water service and planting for the landscape median are the only items that are still outstanding on this contract.

The original contract amount with Granite Construction Company for the 2007/2008 Paving Rehabilitation Project Phase 1 was for $2,073,370.00.

On December 15, 2008, the City Council approved contract Change Order No. 1 containing the modification of asphalt mix design for the intersection of Mather Field Road and Rockingham Drive, compensation adjustments for asphalt price index fluctuations, installation of the water point of connection, removal and replacement of failed roadway

sections, relocation of a water valve, removal of additional concrete and relocation of a storm drain lateral.

Change Order No. 2, the subject of this resolution, will cover the cost associated with the installation of additional traffic loops, the installation of additional pedestrian push buttons, and electrical pull boxes as well as a credit for less landscape materials.

## FISCAL IMPACT

The total approved budgeted amount for this project is $3,636,756.55. The current project expenses, including Change Order No. 2 is $2,985,647.64 which leaves sufficient funds for remaining expenses. This amount includes the construction contract with Granite Construction Company, design costs, construction inspection, staff costs and coordination with outside agencies. Funding for this project consists of $1,239,361 in State and Federal Grants, $950,000 from Prop 1B, and $467,000.00 from Prop 42. The remaining funds come from the City's transportation account.

## ATTACHMENT

Resolution 35-2009 including **Exhibit A** - Contract Change Order No. 2

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 35-2009**

**A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT CHANGE ORDER NO. 2 WITH GRANITE CONSTRUCTION COMPANY, CONTRACT NO. 45-2008, FOR CONSTRUCTION OF THE 2007/2008 PAVING REHABILITATION PROJECT PHASE 1**

**WHEREAS**, bids were solicited to the Sacramento County, and Placer County Builders Exchanges beginning February 15, 2008. The project was also advertised in The Grapevine Independent on February 15 and 22, 2008; and

**WHEREAS**, the bids were publicly opened on March 13, 2008 at 2729 Prospect Park Dr., Rancho Cordova 95670; and

**WHEREAS**, the City recommended on April 21, 2008 to award of the City's 2007/2008 Paving Rehabilitation Project with the bid alternate to the lowest responsive bidder, Granite Construction Company in the amount of $2,073,370.00; and

**WHEREAS**, the City recommended on December 18, 2008 that the City Council authorizes the City Manager to execute a contract Change Order No. 2 with Granite Construction Company increasing the contract amount from $2,073,370.00 to $2,242,566.32; and

**WHEREAS**, unforeseen conditions were encountered during construction and it became necessary to modify the plans and specifications with a change order to complete construction of the project; and

**WHEREAS**, the amount of the change order exceeds the amount the City Manager is authorized to approve.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF RANCHO CORDOVA** that the City Council authorizes the City Manager to execute a contract change order no. 2 **(Exhibit A)** with Granite Construction Company.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

EXHIBIT A

# MEMORANDUM

**DATE:** March 24, 2009

**SUBJECT:** **Contract 07-2040, "2007/2008 Paving Rehabilitation Project Phase 1," Contract Change Order No. 2, An Increase of $51,899.10, No Additional Working Days**

## OVERVIEW

This project consists of placement of rubberized asphalt concrete pavement overlay, placement of Caltrans Type II slurry seal, removal and replacement of curb, gutter and sidewalk improvements for installation of sidewalk ramps, storm drain inlets, storm drain pipes, and thermoplastic pavement striping and marking and asphalt removal and reconstruction on Coloma Road between Folsom Boulevard and McGregor Drive; Mather Field Road from Peter McCuen Drive north of Interstate 50; the intersection of Mather Field Road and Rockingham Drive and the intersection of Rockingham Drive and Old Placerville Road. This project was field accepted on February 10, 2009.

## RECOMMENDATION

Approve Change Order No. 2 as submitted herewith consisting of five items. A more detailed justification for these items is attached for your information.

## FISCAL IMPACT

| | | |
|---|---|---|
| Original Awarded Contract Amount | $2,073,370.00 | |
| Amount of THIS Change Order | $51,899.10 | 2.50% |
| Amount of Previous Change Orders | $169,196.32 | 8.16% |
| Total Amount for Changed Contract Work Including THIS Change Order | $221,095.42 | 10.66% |
| New Contract Price | $2,294,465.42 | |

Contract time is not affected as a result of this change order. This project is funded by the State Transportation Improvement Program (STIP), the Federal Regional Surface Transportation Program, and Measure A Sales Tax.

## BACKGROUND:

This contract was awarded on April 21, 2008, to Granite Construction Company. Contract time began on May 14, 2008.

## DISCUSSION:

This change order consists of five items. Item No. 1 provides for installation of detector loops throughout the project; add $45,409.89. The remaining items add a net $6,489.21 to the contract cost.

Attachments: ATT 1 – Change Order No. 2
ATT 2 – Justification Summary

cc: City of Rancho Cordova (4) . CMID – Contract Admin (2) CMID – Inspection (2)

## Contract Change Order No. 2

To: Granite Construction Company, Contractor.

You are hereby directed to make the herein described changes from the plans and specifications or do the following described work not included in the original plans and specifications of this contract.

Description of work to be done, quantities and prices to be paid. Unless otherwise stated, rates for rental of equipment cover only such time as equipment is actually used and no allowance will be made for idle time. Change requested by Resident Engineer.

| | | | | |
|---|---|---|---|---|
| 1. | PC 23; FI 23 | Install Detector Loops. | INCREASE | $45,409.89 |
| 2. | PC 9; FI 10, 11, 12, 14, 15 | Install Pedestrian Push Button Posts. | INCREASE | $5,921.28 |
| 3. | PC 22; FI 21 | Remove Existing Pull Box and Install a Traffic-Rated Pull Box. | INCREASE | $651.14 |
| 4. | PC 7; FI 8 | Install New Pull Box and Conduit. | INCREASE | $331.79 |
| 5. | PC 21; FI 22 | Deduct for Landscaping Changes. | DECREASE | ($415.00) |
| | | **Total Cost:** | **INCREASE** | **$51,899.10** |

**Contract Summary:**

Original Contract: **$2,073,370.00** Change Order Totals: **$221,095.42** New Contract Cost: **$2,294,465.42**

By reason of this order the time of completion will be adjusted as follows: **No adjustment warranted.**

Submitted by: _____ Resident Engineer Date: 3/25/09

Approval Recommended: _____ Construction Manager Date: 3/25/09

Approved by: _____ Senior C.E., City of Rancho Cordova Date: 3/27/09

Approved by: _____ Director, Department of Public Works Date: 3/27/09

We, the undersigned Contractor, have given careful consideration to the change proposed and all of its impacts, both direct and indirect, and hereby agree, if this proposal is approved, that we will provide all equipment, furnish all materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefor the prices and time extensions shown above.

Acceptance Date: 3/24/2009 Contractor: **Granite Construction Company**

By: _____ Title: MANAGER OF CONSTRUCTION

If the Contractor does not sign acceptance of this order, his attention is directed to the requirements of the specifications as to proceeding with the ordered work and filing a written protest within the time therein specified.

*cc:* *Contractor* *Auditor's Office*
*Contract Desk* *Board of Directors*
*Resident Engineer* *Project Engineer*

TED A. GAEBLER, CITY MANAGER

# *JUSTIFICATION SUMMARY -- Contract 07-2040, CCO Number 2*

☑ **Item 1** **Install Detector Loops.**

*PC 23; FI 23* *Increase:* *$45,409.89*

**Justification:** The project plans did not identify existing detector loops at all of the signalized intersections. Wedge grinding operations damaged the existing detector loops. The Contractor was directed to repair the detector loops, and to bring the installation up to current Construction Standards.

☑ **Item 2** **Install Pedestrian Push Button Posts.**

*PC 9; FI 10, 11, 12, 14, 15* *Increase:* *$5,921.28*

**Justification:** The contract plans show the pedestrian push buttons being lowered and re-aligned on the existing poles. During construction, it was discovered the push button locations would not meet current ADA Standards. The Contractor was directed to relocate the push buttons onto posts installed at the back of the new sidewalk ramps.

☑ **Item 3** **Remove Existing Pull Box and Install a Traffic-Rated Pull Box.**

*PC 22; FI 21* *Increase:* *$651.14*

**Justification:** The plans show an existing pull box in the median island approximately 250 feet north of Coloma Road and Malaga Way. The construction plans showed the left turn pocket being extended by approximately 200 feet, which would place the pull box within the extended left turn lane. The Contractor was directed to remove the existing pull box and install a traffic-rated pull box to grade.

# *JUSTIFICATION SUMMARY -- Contract 07-2040, CCO Number 2*

☑ **Item 4** **Install New Pull Box and Conduit.**

*PC 7; FI 8* *Increase:* *$331.79*

**Justification:** At the southwest corner of Coloma Road and McGregor Drive, the City requested that a new conduit be installed from the existing pull box located within the limits of the proposed pedestrian refuge (safe area) to a new pull box located approximately ten (10) feet to the south of the pedestrian refuge. The Contractor was directed to install the conduit and new pull box in. This change is in preparation for future work proposed in the next phase of the project and was deemed more cost effective and less disruptive if installed at this time.

☑ **Item 5** **Deduct for Landscaping Changes.**

*PC 21; FI 22* *Decrease:* *($415.00)*

**Justification:** The plans show a water main at the edge of the proposed landscaped median shown on Bid Alternate A. During potholing operations, it was discovered that the water main was a sixteen (16) inch transmission main in the center of the proposed median island approximately 3 feet below grade. The Contractor was directed to plant bushes in lieu of trees to prevent maintenance problems and potential damage to the existing water main. The change in plant material resulted in an overall cost reduction.

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Kerry Simpson, Neighborhood Services-Animal Services Division

**SUBJECT:** **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 37-2009 AN AMENDMENT TO THE MASTER SERVICES AGREEMENT (CONTRACT NO. 89-2005) WITH THE SACRAMENTO SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS (SSPCA) TO PROVIDE ONGOING KENNELING SERVICES AND OTHER ANIMAL CARE SERVICES FOR THE CITY OF RANCHO CORDOVA FROM JANUARY 1, 2009 THROUGH DECEMBER 31, 2011**

## RECOMMENDATION

Adopt Resolution No. 36-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of this resolution will authorize the City Manager to execute Contract No. 37-2009 **(Exhibit A)** an amendment to the Master Services Agreement with the SSPCA to provide ongoing kenneling services for the City from January 1, 2009 through December 31, 2011. The SSPCA will also continue to partner with the City to provide adoption and spay and neuter programs. The SSPCA will also continue to provide the City with the services needed to continue providing residents with a high level Animal Services program.

## BACKGROUND

The City entered into a Master Services Agreement (Agreement) with Sacramento SPCA for kenneling services on November 3, 2005. Under the Agreement, the SSCPA has provided kenneling services for the City's Animal Services program since January 2006. This service is needed in order to accommodate any required impoundments of dogs or cats.

Staff wishes to amend the Agreement in order to extend the term from January 1, 2009 through December 31, 2011. The attached Agreement Amendment **(Exhibit A)** has been negotiated by staff and the SSPCA.

The Agreement has created a beneficial partnership between the City the SSPCA. The SSPCA has established several programs that have benefited City residents. The SSPCA established alternatives to reduce euthanasia, which include sending animals to rescue organization, fostering programs and discounting prices for adoptable animals. In

addition, the SSPCA has established programs which reward residents for having their pit bulls spayed or neutered. Amongst other beneficial programs, the SSPCA has continued to provide low-cost vaccination clinics each week, as well as, licensing for the citizens of Rancho Cordova.

City staff recommends the amendment of the Agreement with the SSPCA in order to continue providing the residents of Rancho Cordova with a high level Animal Services program.

## ATTACHMENTS

1. Resolution No. 36-2009 including **(Exhibit A)** Contract No. 37-2009 Amendment to the Master Services Agreement.

2. Contract No. 89-2005 Master Services Agreement - Sacramento Society for the Prevention of Cruelty to animals with the City of Rancho Cordova.

**ATTACHMENT 1**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 36-2009**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AUTHORIZING THE CITY MANAGER TO EXECUTE A FIRST AMENDMENT TO THE MASTER SERVICES AGREEMENT WITH THE SACRAMENTO SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS TO PROVIDE ONGOING KENNELING SERVICES AND OTHER ANIMAL CARE SERVICES**

**WHEREAS,** on November 3, 2005, the City and Sacramento Society for the Prevention of Cruelty to Animals (SSPCA) entered into a Master Services Agreement (Contract No. 89-2005) for kenneling services and other animal care services ("Agreement"); and

**WHEREAS,** the City now wishes to amend the Agreement (Contract No. 37-2009) in order to extend the term from January 1, 2009 through December 31, 2011; and

**WHEREAS,** the attached Amendment will extend the term and help continue to provide the framework for the working relationship between the City and SSPCA.

**NOW THEREFORE BE IT RESOLVED,** that the City Council of the City of Rancho Cordova authorizes the City Manager to execute a first amendment to the Master Services Agreement with the Sacramento Society for the Prevention of Cruelty to Animals to provide animal care services in substantially the form set forth in **Exhibit A**.

This resolution shall become effective immediately upon adoption.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**EXHIBIT A**
**CONTRACT NO. 37-2009**

AMENDMENT TO MASTER SERVICES AGREEMENT FOR THE SACRAMENTO SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

* * *

THIS AMENDMENT TO CONTRACT is made and entered into between City of Rancho Cordova, California ("City") and Sacramento Society for the Prevention of Cruelty to Animals, ("SPCA"), and hereby amends the Master Services Agreement entered into between the parties on or about November 3, 2005 ("MSA").

1. It is the intent of the City and SPCA to continue to be bound by all terms and conditions of the MSA, unless expressly changed by this Amendment.

2. The MSA termination date shall be extended from December 31, 2008 to December 31, 2011.

3. City and SPCA agree to amend paragraph 2 of the MSA to include the following:

i. (Year 4) CITY will pay one hundred ninety-one nine hundred and ninety-two and zero/100'ths Dollars ($191,992.00), payable in monthly installments of $15,999.33 due the 1st day of each month, and the SPCA will accept up to 1,837 animals in the 12 month period of January 1, 2009 through December 31, 2009.

ii. (Year 5) CITY will pay one hundred ninety-nine six hundred and seventy-two and zero/100'ths Dollars ($199,672.00), payable in monthly installments of $16,639.33 due the 1st day of each month, and the SPCA will accept up to 1,837 animals in the 12 month period of January 1, 2010 through December 31, 2010 (with $109 versus $107 paid by the CITY to the SPCA for each animal in excess of 1,837 animals).

iii. (Year 6) CITY will pay two hundred six thousand ninety-five and zero/100'ths Dollars ($206,095.00), payable in monthly installments of $17,174.58 due the 1st day of each month, and the SPCA will accept up to 1,837 animals in the 12 month period of January 1, 2011 through December 31, 2011 (with $112 versus $107 paid by the CITY to the SPCA for each animal in excess of 1,837 animals).

4. City and SPCA agree to amend paragraph 2(b) to include the following:
CITY agrees to pay the SPCA fifty (50) percent of the hosting and maintenance costs of the SPCA's Shelter Buddy software program, which shall not exceed seven thousand four hundred ten and zero/100'ths dollars ($7,410.00) per twelve months without the written authorization of the City.

5. City and SPCA agree to amend paragraph 3 in its entirety to read as follows:
**Rendering Service for Dead Animals:** CITY shall pay SPCA the cost of rendering services of dead animals at the rate of five hundred seventeen and zero/100'ths Dollars ($517) monthly.

**SIGNATURE PAGE FOLLOWS**



**SIGNATURE PAGE**

IN WITNESS HEREOF, the parties have executed this Agreement the date and year first written above.

**FOR THE CITY OF RANCHO CORDOVA:**

By: _____

Title: _____

Date: _____

**FOR THE SACRAMENTO SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS:**

By: _____
Rick Johnson, Executive Director

Date: 3/27/09

**APPROVED AS TO FORM**

By: _____

Title: _____

Date: _____

**ATTEST:**

By: _____

Title: _____

Date: _____

**AGREEMENT**

**SACRAMENTO SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS WITH THE CITY OF RANCHO CORDOVA**

THIS AGREEMENT is made and entered into on the day of November 3, 2005 between the City of Rancho Cordova, California ("CITY") and the Sacramento Society for the Prevention of Cruelty to Animals ("SPCA"), a non-profit corporation; and

WHEREAS, CITY desires services consisting of acceptance, as specified below, of all animals by SPCA; and

WHEREAS SPCA is qualified, experienced and desires to provide such services;

IT IS THEREFORE AGREED:

1. **Services:**

   a. **Acceptance:** SPCA shall accept all dogs and cats, and all other animals within the capability and capacity, delivered to the SPCA at 6201 Florin-Perkins Road, Sacramento CA 95828, by Animal Control Officers of CITY, City Police Officers, other persons designed by the CITY and CITY residents. CITY residency shall be documented by a current photo I.D. showing a City address. SPCA shall not be required to accept injured or seriously ill animals, which will be determined by SPCA. CITY shall provide SPCA with a current map to be used to determine whether the address shown is actually within the CITY limits.

   b. **Availability for Acceptance:** The SPCA will maintain open hours at a minimum from 11 am-6pm Tuesday through Sunday. The SPCA will also maintain adequate after-hours acceptance/drop-off facilities (receiving area with kennels/cages) for the use of persons designated by the CITY.

   c. **Farm Animals**: The SPCA will make available for use by CITY at least one temporary holding pen for the holding of farm animals.

   d. **Low Cost Rabies Clinics:** The SPCA will make available to the residents of CITY, yearly Low Cost Rabies Clinics.

   e. **Licensing:** The SPCA will license animals belonging to CITY residents, as required by law, when necessary, including rabies inoculations and the CITY will grant to the SPCA authority to provide citations for inoculations during those times when a veterinarian is not available at the SPCA. CITY will grant to the SPCA authority to act as the CITY's agent to collect fees, including impound fees, boarding fees, license fees, and other fees as necessary.

   f. **Holding:** The SPCA agrees to hold accepted animals for a period of one-day longer than the statutory minimum time before disposition.

2. **Compensation.** The CITY shall pay at a monthly installment rate for all live animals delivered by persons designated by the CITY and CITY residents that the SPCA is required to accept as stated above. The CITY shall pay SPCA One Hundred Seven and Zero/100'ths Dollars ($107.00) for each animal in excess of the following:

i. (Year 1) CITY will pay One Hundred Fifty-Five Thousand Five Hundred Fifty-Five and Zero/100'ths Dollars ($155,555), payable in monthly installments of $12,962.92 due the 1st day of each month, and the SPCA will accept up to 1,200 animals in the 12 month period of January 1, 2006_through December 31, 2006.

ii. (Year 2) CITY will pay One Hundred Seventy-Three Thousand, Seven Hundred, Thirty Eight and Zero/100'ths Dollars ($173,738.00), payable in monthly installments of $14,478.17 due the 1st day of each month, and the SPCA will accept up to 1,400 animals in the 12 month period of January 1, 2007 through December 31, 2007.

iii. (Year 3) CITY will pay One Hundred Ninety-One Thousand, Nine Hundred Ninety-Two and Zero/100'ths Dollars ($191,992), payable in monthly installments of $15,999.33 due on the 1st day of each month, and the SPCA will accept up to 1,600 animals in the 12 month period of January 1, 2008 through December 31, 2008.

b. SPCA shall maintain software and technology to provide real time information regarding all animals in the care of the SPCA, which information will be available to the City on the internet.

c. SPCA shall keep sufficient books and records to substantiate all charges provided pursuant to this MSA, and all books and records shall be open to inspection and copying by CITY at all reasonable times.

d. The SPCA will provide monthly reports in a form acceptable to the CITY and SPCA, which reports shall include at a minimum the number of animals received, number euthanized, the number adopted, the number received dead, the number received injured, number returned to the owner, and other information as agreed to by the CITY and the SPCA.

e. The SPCA will make available upon request by the CITY copies of its Annual Report, any Audits and Budget.

f. The delivery of dead animals shall not be included in the count of animals for compensation purposes.

g. The CITY will allow flexibility to the SPCA to waive impound fees for animals if the owner agrees to sterilize their animal.

h. Any animal medical expenses incurred by the SPCA for animals held pursuant to this agreement will be billed separately.

**3. Rendering Service for Dead Animals:** CITY shall pay SPCA the cost of rendering services of dead animals at the rate of Four Hundred Fifty and Zero/100'ths Dollars ($450) monthly.

**4. Term:** This MSA shall terminate for the CITY as shown on the Master Services Agreement Signature Page. However, this MSA may be extended or renewed, with or without amendment, for additional periods of one year upon written mutual consent of the parties. The parties shall attempt in good faith, to meet and confer no later than six (6) months prior to the termination date to discuss the possibility of extension or renewal of this MSA.

**5. Access to Records**: Duly authorized representatives of CITY shall have right of access during normal business hours to SPCA's files and records relating to the services performed hereunder, and may review the files and records at appropriate stages during performance of the services.

**6. Humane investigations**: City Animal Control Officers will continue to handle humane investigations in the manner performed prior to the execution of this Service Agreement. Humane cases requiring extended care or quarantine beyond the normal animal drop-off services will be charged at Twenty Five and Zero/100'ths Dollars ($25.00) per day. Animals held in protective custody will be charged at Fifteen and Zero/100'ths Dollars ($15.00) per day. SPCA will attempt to collect these fees from the animal's owner, and if successful, CITY will not be charged the daily fee

**7. Indemnification**: Each party to this MSA shall defend, indemnify and save and hold harmless each other party, their officers, agents, contractors, volunteers, elected and appointed officials, and employees from any claims, suits or actions of every name, kind and description brought forth, or on account of, injuries to or death of any person (including but not limited to workers and public), or damage to property, resulting from or arising out of any party's willful misconduct or negligent act or omission while engaged in the performance of obligations or exercise of rights created by this MSA, except those matters arising from party's sole active negligence. The parties intend that this provision shall be broadly construed within the limits of state law.

**8. Insurance**: SPCA agrees to maintain in full force and affect the following policies of insurance during the term of this MSA.

| COVERAGE | LIMITS OF LIABILITY |
|---|---|
| **Workers' Compensation** | **Statutory** |
| **Commercial General Liability** | **Bodily Injury:**<br>**$1,000,000 each occurrence**<br>**$2,000,000 aggregate**<br>**Property Damage:**<br>**$1,000,000 each occurrence**<br>**Personal Injury:**<br>**$1,000,000 each occurrence**<br>**$2,000,000 aggregate** |
| **Automobile liability including Endorsements for owned Hired and non-owned vehicles** | **Bodily injury and Property Damage:**<br>**$1,000,000 each occurrence and** |

**SPCA shall submit a certificate evidencing such coverage in a form satisfactory to the CITY's risk management team, prior to undertaking any work hereunder. A separate endorsement form showing CITY, its officers, agents, contractors, volunteers, elected and appointed officials, and employees as additional named insureds, except for Workers' Compensation, shall also be provided. Such insurance shall specifically cover the contractual liability of SPCA under this MSA. The coverage shall be primary as to each additional insured and no coverage of the CITY shall be called upon to contribute to a loss. Said certificates shall provide at least thirty (30) days written notice to CITY prior to cancellation or modification, for any reason, of any insurance required by MSA. SPCA shall furnish a certificate for the period covered by the MSA. Any insurance written on a claims-made basis is subject to the approval of the CITY's risk management team. Insurance coverage in the minimum amounts set forth herein shall not be construed to**

**relieve SPCA of liability in excess of such coverage, nor shall it preclude CITY from taking such other actions as are available to it under any other provisions of this MSA or law.**

**9. Compliance with Laws**: SPCA will comply with all federal, state and local laws and ordinances as may be applicable to the performance of services under this MSA.

**10. Ability to Perform**: SPCA agrees and represents that it has the time, ability, professional expertise and authority to perform the services required under this MSA.

**11. Termination of Agreement:** The CITY may terminate this MSA, as to itself, without cause by giving SPCA one hundred twenty (120) days advance written notice. SPCA may terminate this MSA without cause by giving CITY one hundred twenty (120) days advance written notice.

**12. Attorney's Fees and Venue:** In the event of any action brought to enforce this MSA, the prevailing party shall be entitled to recover its reasonable attorney's fees and related litigation expenses. Any action arising out of this MSA shall be brought in Sacramento County, regardless of where else venue may lie.

**13. Notices:** Any notices to parties required by this MSA shall be delivered personally or mailed, U.S. first class, postage prepaid, addressed as follows:

| **CITY OF RANCHO CORDOVA** | **SPCA** |
|---|---|
| **William J. Thomas, CFO**<br>**3121 Gold Canal Drive**<br>**Rancho Cordova CA 95670** | **Rick Johnson, Executive Director**<br>**Sacramento SPCA**<br>**6201 Florin-Perkins Road**<br>**Sacramento CA 95828** |

Either party may amend its address for notice by notifying the other party in writing.

**14. Integrated Agreement:** This is an integrated agreement, and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole

**15. Agreement to Terms of Master Services Agreement:** The terms of this MSA is agreed to by the CITY, as shown by the Resolution and the fully endorsed Master Services Agreement Signature Page which is attached to and incorporated into this MSA. No change to this MSA shall be valid without the advance written consent of the CITY operating under the terms of the MSA and the Sacramento SPCA

**AGREEMENT AND SIGNATURE PAGES FOLLOW**

## SIGNATURE PAGE

IN WITNESS HEREOF, the parties have executed this Agreement the date and year first written above.

FOR THE CITY OF RANCHO CORDOVA:

By: _____
Ted Gaebler
City Manager

FOR THE SACRAMENTO SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS:

By: _____
Rick Johnson
Executive Director

APPROVED AS TO FORM:

_____
Steve Meyers, City Attorney

ATTEST:

_____
for Lillian Hare, City Clerk

# ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY) 11/07/05

PRODUCER
916-974-7800
John O. Bronson Co.

3636 American River Dr #200
Sacramento CA 95864

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Sacramento S P C A
6201 Florin-Perkins Road
Sacramento CA 95828-1095

COMPANIES AFFORDING COVERAGE

COMPANY A: National Surety Corporation

COMPANY B:

COMPANY C:

COMPANY D:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| CO LTR | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS | |
|---|---|---|---|---|---|---|
| A | GENERAL LIABILITY<br>[X] COMMERCIAL GENERAL LIABILITY<br>[ ] CLAIMS MADE [X] OCCUR<br>[ ] OWNER'S & CONTRACTOR'S PROT | MZX80837381 | 2/19/05 | 2/19/06 | GENERAL AGGREGATE | $ 2000000 |
| | | | | | PRODUCTS - COMP/OP AGG | $ 2000000 |
| | | | | | PERSONAL & ADV INJURY | $ 1000000 |
| | | | | | EACH OCCURRENCE | $ 1000000 |
| | | | | | FIRE DAMAGE (Any one fire) | $ 100000 |
| | | | | | MED EXP (Any one person) | $ 5000 |
| A | AUTOMOBILE LIABILITY<br>[X] ANY AUTO<br>[ ] ALL OWNED AUTOS<br>[ ] SCHEDULED AUTOS<br>[ ] HIRED AUTOS<br>[ ] NON-OWNED AUTOS | MZX80837381 | 2/19/05 | 2/19/06 | COMBINED SINGLE LIMIT | $ 1000000 |
| | | | | | BODILY INJURY (Per person) | $ |
| | | | | | BODILY INJURY (Per accident) | $ |
| | | | | | PROPERTY DAMAGE | $ |
| | GARAGE LIABILITY<br>[ ] ANY AUTO | | | | AUTO ONLY - EA ACCIDENT | $ |
| | | | | | OTHER THAN AUTO ONLY: | |
| | | | | | EACH ACCIDENT | $ |
| | | | | | AGGREGATE | $ |
| | EXCESS LIABILITY<br>[ ] UMBRELLA FORM<br>[ ] OTHER THAN UMBRELLA FORM | | | | EACH OCCURRENCE | $ |
| | | | | | AGGREGATE | $ |
| | | | | | | $ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: [ ] INCL [ ] EXCL | | | | [ ] WC STATU-TORY LIMITS [ ] OTH-ER | |
| | | | | | EL EACH ACCIDENT | $ |
| | | | | | EL DISEASE - POLICY LIMIT | $ |
| | | | | | EL DISEASE - EA EMPLOYEE | $ |
| | OTHER | | | | | |

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
Evidence of Coverage

CERTIFICATE HOLDER

CITY OF RANCHO CORDOVA
3121 GOLD CANAL DRIVE
RANCHO CORDOVA 95670

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Saul F Bystrowski


© ACORD CORPORATION 1988

NF

CERTHOLDER COPY

STATE COMPENSATION INSURANCE FUND

P.O. BOX 420807, SAN FRANCISCO,CA 94142-0807

RECEIVED
NOV 09 2005
BY:

## CERTIFICATE OF WORKERS' COMPENSATION INSURANCE

**ISSUE DATE: 11-08-2005**

GROUP:
POLICY NUMBER: **1579079-2005**
CERTIFICATE ID: **35**
CERTIFICATE EXPIRES: **01-19-2006**
**01-19-2005/01-19-2006**

**CITY OF RANCHO CORDOVA**
**3121 GOLD CANAL DRIVE**
**RANCHO CORDOVA CA 95670**

**NF**

**JOB: EVIDENCE OF INSURANCE**

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon **30** days advance written notice to the employer.

We will also give you **30** days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or to which it may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions, and conditions, of such policy.

Dianne C. Oki

AUTHORIZED REPRESENTATIVE

PRESIDENT

**EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: $1,000,000 PER OCCURRENCE.**

**ENDORSEMENT #2065 ENTITLED CERTIFICATE HOLDERS' NOTICE EFFECTIVE 01-19-2005 IS ATTACHED TO AND FORMS A PART OF THIS POLICY.**

EMPLOYER

**SACRAMENTO SOCIETY FOR THE PREVENTION OF THE CRUELTY TO ANIMALS (A NON-PROFIT PUBLIC BENEFIT CORP) DBA: SACRAMENTO S P C A**
**6201 FLORIN PERKINS RD**
**SACRAMENTO CA 95828**

(REV.2-05)

[B17,NF]
**PRINTED : 11-08-2005**

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Curt Haven, Economic Development Director
Kerry Simpson, Neighborhood Services Manager
Adam U. Lindgren, City Attorney

**SUBJECT:** **AN ORDINANCE OF THE CITY COUNCIL OF RANCHO CORDOVA AMENDING TITLE 8, ANIMALS, OF THE RANCHO CORDOVA MUNICIPAL CODE REGARDING THE LAWS AND REGULATIONS PERTAINING TO LICENSING, VICIOUS ANIMALS AND FUNCTIONS OF ANIMAL SERVICES AND A RESOLUTION ESTABLISHING UPDATED LICENSING FEES AND OTHER FEES RELATED TO ANIMAL SERVICES**

## RECOMMENDATION

A) Waive first reading and introduce Ordinance No. 8-2009 amending Title 8, "Animals," of the Rancho Cordova Municipal Code regarding the laws and regulations pertaining to licensing, vicious animals and functions of Animal Services; and

B) Adopt Resolution No. 30-2009 updating licensing fees and establishing other fees related to Animal Services.

## RESULT OF RECOMMENDED ACTION

Adoption of the ordinance **(Attachment 1)** will establish updated provisions relating to vicious animals, including regulations for hearings and keeping of potentially dangerous dogs, and will update the provisions regarding licensing of dogs and cats. The ordinance will also provide regulations clarifying the responsibilities of City residents for the keeping and selling of animals. Adoption of the resolution **(Attachment 2)** will update the City's licensing fees and establish other fees related to Animal Services. These fees will help the City continue to provide a high level Animal Services program and promote responsible animal ownership.

## BACKGROUND

The City of Rancho Cordova established its own Animal Services division in 2006. Since its establishment, the Animal Services division has been responsive to the needs of the residents and has evolved to meet those needs. This ordinance is in response to two serious problems that all jurisdictions face: 1) animal overpopulation and 2) the process for dealing with vicious dogs and potentially dangerous dogs.

## ANALYSIS

### *Animal Overpopulation*

Cities and counties are currently struggling with animal overpopulation. In the last three years, the City of Rancho Cordova's Animals Services division has collected over 5,122 animals and taken them to animal shelters/kennels; over 43% of those animals were euthanized. Last year, the City's cost for kenneling services was almost $200,000, and will continue to rise with the increase of unwanted pets. The City has worked with the Sacramento Society for Prevention of Cruelty to Animals (SSPCA) in expanding the SSPCA's spay and neuter services to City residents, however, staff recommends that the City go further in the efforts of dealing with this problem.

The City has teamed up with organizations such as the Sacramento Coalition to Stop Animal Population in finding a solution for dealing with the increased number of dogs and cats that are being taken to shelters. As part of the City's efforts, Animal Services has been studying how other local jurisdictions have been successfully dealing with pet overpopulation. As part of this research, staff has found that modifying the City's licensing regulations, updating licensing fees and helping with spay and neuter programs can help reduce the number of animals.

Staff recommends the adoption of the attached ordinance as a way to combat animal overpopulation. The ordinance includes sections specifically dealing with licensing of animals, sale of young animals and the advertisement and sale or transfer of animals. These regulations will clarify and impose specific responsibilities a pet owner has related to the keeping and selling of his or her animals. This modification to the City's current Code is needed in order to promote responsible pet ownership and to provide clear guidelines for the keeping of animals.

The ordinance will make clear that all persons owning or having custody of a dog or cat over the age of four months of age must obtain a license and tag for each dog and cat, and that every dog or cat must be vaccinated. It will provide licensing fee discounts for competition/show dogs and cats, and for working ranch dogs. The ordinance will also provide exemption for any person or organization that is providing care for feral or farm cats and is making a reasonable effort to trap and sterilize the animals.

Staff is also recommending that the Council adopt the attached resolution updating the City's licensing fees. Staff has evaluated the cost of certain services related to the functions of Animal Services, such as licensing, and has determined that the City is currently not recovering its costs of providing such services. The proposed licensing fee update will allow Animal Services to better serve City residents by updating and establishing fees which recover the City's costs in order for the City to continue providing high-level services.

The fee update, together with the proposed ordinance, will help the City combat the animal overpopulation issue. The City will use a percentage of all unaltered license fees to assist public or private programs that provide pet sterilization programs to low income individuals and families in the City. The updated fees will be used pursuant to California Government Code section 38792 and Food and Agricultural Code section 30625.

Staff is recommending the following fee and discount schedule for both dog and cat licenses:

| | |
|---|---|
| Annual license – altered: | $15.00 (currently $10) |
| Two year license – altered: | $30.00 (currently $20) |
| Three year license – altered: | $45.00 (currently $30) |
| | |
| Annual license – unaltered: | $150.00 (currently $30) |
| Two year license – unaltered: | $300.00 (currently $60) |
| Three year license – unaltered: | $450.00 (currently $90) |

**If eligible for an unaltered discount under Title 8 of the Municipal Code, the total license amount, as set forth above, shall be reduced by: $50.00 per year.

**Late Fee: $100.00

**Seniors over 65 years of age receive a 50% discount on all licensing fees, not including additional annual licensing fee for potentially dangerous dogs.

**Additional annual licensing fee for dogs declared potentially dangerous in accordance with California Food and Agricultural Code Section 31641 and Section 31602: $100.00

Staff believes that the ordinance's regulations pertaining to licensing and the advertisements, sale or transfer of animals will help its efforts in reducing the number of unwanted pets that are taken to shelters and euthanized by encouraging people to spay and neuter their pets, and by properly regulating the sale of these animals.

***Vicious Dogs and Potentially Dangerous Dogs***

On February 20, 2007, the City adopted Ordinance No. 4-2007, establishing the City's laws and regulations pertaining to animals. Ordinance No. 4-2007 included a chapter regarding vicious animals. At the time of adoption, staff recommended that Animal Services petition the Sacramento County Superior Court to make the determination of whether a dog was vicious or potentially dangerous. This process is in line with one of the alternatives established by State law and was initially well received by the Court.

Since the adoption of Ordinance No. 4-2007, the City has experienced difficulties in getting these types of petitions heard by the court. This process has proven costly due to required drafting of petitions and time spent waiting for court hearings.

State law allows a city or county to adopt its own procedures for dealing with potentially dangerous or vicious dogs. Staff has evaluated the most responsive and efficient method of dealing with these types of cases and is recommending that the City adopt alternative procedures, allowing the initial determination to be done by an administrative hearing.

The attached ordinance provides a step by step procedure on how the City will deal with situations involving vicious dogs or potentially dangerous dogs. The ordinance provides appropriate due process protections for residents, including administrative hearings and the right to appeal the decision to the Superior Court. This procedure will be quicker and more cost effective for both the City and its residents.

## ATTACHMENTS

1. Ordinance No. 8-2009 Amending Title 8, "Animals," of the Rancho Cordova Municipal Code Regarding the Laws and Regulations Pertaining to Licensing, Vicious Animals and Functions of Animal Services.

2. Resolution No. 30-3009 Establishing Updated Licensing Fees and Other Fees Related to Animal Services.

**ATTACHMENT 1**

**CITY OF RANCHO CORDOVA**

**ORDINANCE NO. 8-2009**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AMENDING TITLE 8, ANIMALS, OF THE RANCHO CORDOVA MUNICIPAL CODE REGARDING THE LAWS AND REGULATIONS PERTAINING TO LICENSING, VICIOUS ANIMALS AND FUNCTIONS OF ANIMAL SERVICES**

**THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** Title 8 of the Rancho Cordova Municipal Code, "Animals," is amended to replace all references to "Neighborhood Services Supervisor" with "Animal Services Manager."

**SECTION 2.** Chapter 8.01 of the Rancho Cordova Municipal Code, "Definitions," is amended to add the following definitions:

**8.01.011 Animal Services Center or Animal Shelter.**

"Animal Services Center" or "Animal Shelter" means the facilities provided by the City, or designated by the City, for the impoundment, relinquishment, quarantine, and adoption or sale of animals.

**8.01.012 Animal Services Manager.**

"Animal Services Manager" means the administrative head of the City of Rancho Cordova Animal Services and his or her duly authorized deputies.

**8.01.013 Commercial Establishment.**

"Commercial Establishment" means a place where commodities are exchanged, bought or sold, including, but not limited to, pet stores or other commercial businesses selling animals.

**8.01.015 Domestic Animal.**

"Domestic animal" means dogs, cats, horses, donkeys, mules, burros, cattle, sheep, goats, swine, llamas, emus, ostriches, camels, rabbits and fowl commonly kept or raised in the City as farm or livestock animals.

**8.01.016 Farm.**

"Farm" or "Ranch" means any land zoned and used for agriculture purposes.

**8.01.017 Farm Cat.**

"Farm Cat" means any cat residing on a farm or ranch as defined herein whose presence is for the purpose of rodent control on such farm or ranch as identified under Section 8.01.016 and whose ownership cannot be determined based on the definition contained in Section 8.01.040 of this Title.

**8.01.018 Feral Animal.**

Except as modified by Section 8.01.019, "feral animal" means any domestic animal which is known to live in a wild or semi-wild state without benefit of an owner, or any domestic animal which has escaped for a substantial period of time from the care of its owner and is existing in a wild state without benefit of domestication.

**8.01.019 Feral Cat.**

"Feral cat" means a cat which is known to live in a wild or semi-wild state without benefit of an owner or a cat which has escaped for a substantial period of time from the care of its owner and is existing in a wild state without benefit of domestication.

**8.01.071 Veterinary Facilities.**

"Veterinary facilities" means all premises where veterinary medicine, veterinary dentistry, veterinary surgery, and the various branches thereof is being practiced.

**8.01.101 Working Ranch Dog.**

"Working ranch dog" means a dog that has been trained and is used to herd and or guard livestock, and the dog owner resides on or is the owner of property designated in the City of Rancho Cordova Zoning Code for agricultural use.

**8.01.110 Vicious Animal.**

"Vicious animal" means any animal including a dog (except a dog assisting a peace officer engaged in law enforcement duties) which has, on one or more occasions, committed any one or more of the following acts:

1. Without provocation inflicted as defined in Section 8.01.140 severe injury on or killed a human being.

2. In an unprovoked manner, killed another domestic animal as defined in Section 8.01.015 of this Title, excluding rabbit or fowl, at a place other than upon the private property where the attacking animal is maintained.

3. Physically attacked, mauled, or physically injured by biting any person, without provocation, at a place other than upon the private property where the animal is maintained.

4. Physically attacked, mauled, or physically injured by biting any person, without provocation, when the owner thereof knows or should reasonably know that the animal poses a threat to public safety and has made no substantial effort to prevent the attack, or when the owner has purposefully encouraged or commanded the animal to attack, maul, or physically injure any person.

5. Physically attacked, mauled or physically injured by biting any guide dog for the blind, service dog for the disabled or signal (hearing) dog for the deaf, without provocation, at a place other than upon the private property where the attacking animal is maintained.

6. Physically attacked, mauled or physically injured by biting any guide dog for the blind, service dog for the disabled or signal (hearing) dog for the deaf, without provocation, when the owner of the attacking animal knows or should know that the animal poses a threat to public safety and has made no substantial effort to prevent the attack or when the owner has purposefully encouraged or commanded the animal to attack, maul or physically injure any guide dog for the blind, service dog for the disabled or signal (hearing) dog for the deaf.

7. Any animal previously determined to be, and currently listed as, a potentially dangerous animal which, after its owner or keeper has been notified of this determination, continues the behavior described in Section 8.01.120.

For purposes of this section, provocation does not include the acts of a person attempting to prevent an animal from physically attacking, mauling, or physically injuring by biting another person or animal.

**8.01.120 Potentially Dangerous Animals.**

"Potentially Dangerous Animal" means any animal including a dog (except a dog assisting a peace officer engaged in law enforcement duties) which,

1. When unprovoked, on two separate occasions within the prior thirty-six (36) month period, engages in any behavior that requires a defensive action by any person to prevent bodily injury when the person and the dog are off the property of the owner or keeper of the dog.

2. When unprovoked, bites a person causing a less severe injury than as defined in Section 8.01.140.

3. When unprovoked, on two separate occasions within the prior 36-month period, has killed, severely bitten, inflicted injury or otherwise caused injury attacking a domestic animal off the property of the owner or keeper of the offending animal.

Nothing in this section shall prevent an animal which commits an offense described in Section 8.01.110 from being determined vicious.

**8.01.130 Vicious Behavior.**

"Vicious behavior" means any acts committed by an animal as defined in Section 8.01.110.

**8.01.140 Severe Injury.**

"Severe Injury" means any physical injury to a human being or animal that results in muscle tears or disfiguring lacerations, or requires multiple sutures or corrective or cosmetic surgery.

**SECTION 2.** Chapter 8.03 of the Rancho Cordova Municipal Code, "General Provisions," is amended to add the following section:

**8.03.005 Exemptions.**

A. The licensing regulations in this Title are not applicable to the following:

1. Owners who use animals for diagnostic purposes or research, the use having been approved either by the California State Board of Public Health pursuant to Section 1666 of the Health and Safety Code or by the United States Department of Agriculture;

2. Owners who use animals for teaching purposes in accredited educational institutions;

3. Owners of animals kept as all or part of the stock of: (a) nonprofit zoological gardens open to the public; (b) circuses; or (c) animal exhibits when such enterprises are operated under business licenses granted by the City;

4. Unowned cats;

5. Farm cats as defined in Section 8.01.017; and any person or organization that is providing care for feral or farm cats and is making a reasonable effort to trap and sterilize the animals.

B. The licensing, sales and advertising regulations of this Title do not apply to the following:

1. Government agencies or animal rescue organizations that have demonstrated to the Animal Services Manager that they have implemented an ongoing sterilization program, as well as an adoption program; a sufficient demonstration may include written declaration to the Animal Services Manager, documentary evidence and/or site visitation and inspection of agency/organization facilities;

2. Humane societies or societies for the prevention of cruelty to animals if such societies are incorporated under the provisions of the California Corporations Code Section 10400 and the Nonprofit Public Benefit Corporation Law in Part 2 of the California Corporations Code, beginning at Section 5110;

3. Veterinary facilities.

**SECTION 3.** Section 8.03.060 of the Rancho Cordova Municipal Code is amended to read as follows:

**8.03.060 Authority to Set Fees.**

Unless a fee amount is specifically provided within this Title, the City Council shall from time to time, establish fees for services provided under this Title by resolution.

**SECTION 4.** Chapter 8.06 of the Rancho Cordova Municipal Code, "Licensing," is hereby deleted and replaced in its entirety to read as follows:

**8.06.010 Unlicensed Dogs and Cats.**

All persons owning or having custody of a dog or cat over the age of four (4) months of age shall obtain a license and tag for each dog and cat from the Animal Services Manager. Each applicant for such a license shall pay an annual fee as specified by the City Council and set forth in the fee schedule. Every owner of an unlicensed or untagged dog or cat shall be deemed to be in violation of this Title except as otherwise provided herein.

**8.06.020 Unvaccinated Dogs and Cats.**

Every owner of a dog or cat that does not have a current vaccination for rabies, as evidenced by an official certificate, shall be deemed to be in violation of this Title except as otherwise provided herein.

**8.06.030 Dog and Cat Licenses.**

A. Every dog or cat over four (4) months of age shall be subject to an annual license fee. If the dog or cat is over four (4) months of age when acquired, the owner shall obtain a license within thirty (30) calendar days of acquisition of or entry into the City. Thereafter, such license fee shall become due and payable annually on the date of expiration of any license previously issued to the owner for the dog or cat. The amount of such fee shall be established in accordance with Section 8.03.060 of this Title, and shall be charged only in full and not on any pro rata formula.

B. No owner shall possess or harbor within the City any dog or cat over the age of four (4) months that has not been sterilized, unless such person holds an unaltered license, unaltered license with reduced fee, or is otherwise exempted as set forth in Sections 8.03.005 or 8.06.030(M). Upon the written certification of a veterinarian that a dog or cat has been surgically sterilized, the amount of the license fee shall be one-half or less than the fee established for intact dogs or cats.

C. Any owner of an unaltered dog or cat shall be eligible to pay a reduced unaltered license fee if, upon written proof provided annually, the owner demonstrates to the Animal Services Manager that the animal qualifies as either a "competition dog or cat" or a "working ranch dog" according to the following criteria:

1. Competition Dogs and Cats.

a. The owner registers each dog or cat with the American Kennel Club, United Kennel Club, American Dog Breeders Association, International Cat Association, the Cat Fanciers Association, or other valid registry approved by Animal Services;

b. The animal participates in at least one event sanctioned by a national registry within the previous twelve (12) month period from the date of issuance of the license or a showing that the animal has achieved a title from a purebred dog or cat registry. In the event that an owner cannot show proof that the animal has been shown in the previous twelve (12) month period, Animal Services shall have the discretion to determine whether this subsection has been met; and

c. The owner does not breed the dog or cat during the time the animal holds a reduced unaltered license. This does not preclude the owner from obtaining an unaltered license at the full rate for the year the owner intends to breed the animal.

Or;

2. Working Ranch Dogs.

a. The dog is defined as a working ranch dog; and

b. The owner does not breed the dog or cat during the time the animal holds a reduced unaltered license. This does not preclude the owner from obtaining an unaltered license at the full rate for the year the owner intends to breed the animal.

D. No license shall be issued for any dog or cat for which the rabies vaccination is valid for less than the twelve (12) months period from the date of licensing or for any unvaccinated dog or cat. Should the rabies vaccination not be valid for twelve (12) months from the date of first application for licensing, the owner may elect either: (1) to be issued a license at full price which would be valid for less than twelve (12) months; or (2) to revaccinate the animal and be issued a license at full price which would be valid for no less than twelve (12) months.

E. A dog or cat license fee shall become delinquent the day after it becomes due and payable, and upon delinquency, a monetary penalty as established in accordance with Section 8.06.060 of this Chapter shall be added to the regular fee. An unpaid penalty shall be added to the succeeding year's license fee.

F. The Animal Services Manager shall procure and issue serially numbered license tags stamped with the name of the City and annual renewal licenses. The license shall only be issued upon the application of owners who have compiled with the vaccination and fee provisions of this Title.

G. Upon presentation by a dog or cat owner of a properly completed license application form, including proof that the rabies vaccination will be valid throughout the licensing period, and the proper license fee, and, if applicable, a delinquent fee, the Animal Services Manager shall issue a dog or cat license and a license tag or renewal license. The owner shall retain the dog or cat license form for inspection by the Animal Services Manager.

H. Every dog or cat shall be provided with a suitable collar, harness, or other device to which the license tag shall be securely affixed by the owner. Alternate methods of identification may be allowable if approved in writing by the Animal Services Manager. The dog or cat owner shall ensure that the dog or cat wears such license tag or other approved identification at all times except when the animal is being prepared for or exhibited at a dog or cat show.

I. A license tag issued for one dog or cat shall not be transferred or attached to any other dog or cat.

J. A valid license issued pursuant to this Section to one owner may be transferred to a new owner of the licensed animal for a transfer fee of ten dollars ($10.00).

K. Whenever a license tag or decal is lost, stolen, or damaged the owner shall apply for and obtain a replacement tag or decal from the Animal Services Manager upon payment of the prescribed replacement fee.

L. Despite anything in this Title to the contrary, when an owner brings into the City a dog or cat that has been licensed in another jurisdiction, the dog or cat shall not be subject to the licensing provisions of this Section for so long as the out-of-city license would be current and valid at its place of issuance, but not more than twelve (12) months from entering the City, and so long as issuance of said license would have satisfied the provisions of Section 8.06.030 (b) of this Chapter. Upon surrender of the license from the other jurisdiction, the owner shall be issued a City of Rancho Cordova dog or cat license at no charge.

M. The following are excused from ordinarily applicable license fee requirements, as specified:

1. No fee shall be charged for working dogs that are documented as having been appropriately trained and actively used by law enforcement agencies for law enforcement purposes.

2. A fee shall not be levied for any dog license issued for a seeing-eye dog owned by a blind or partially blind person, or for any dog duly trained and registered with a training agency to assist a disabled person when such dog is actively used for the purpose trained.

3. Dogs and cats that are certified in writing by a licensed veterinarian as not being suitable subjects for sterilizing due to health or age reasons will be assessed the altered license fee. If the animal at a later date is determined by the veterinarian to be suitable for sterilization then the appropriate fee will be assessed.

**8.06.040 Sentry Dogs.**

Every dog that is commercially used as a protection or sentry dog must, in addition to satisfaction of the provisions of Section 8.06.030, wear a distinctive type of identification at all times, as authorized and provided by the Animal Services Manager which identifies to the public that the animal is a protection or sentry dog.

**8.06.050 Sale of Young Animals.**

A. No puppy or kitten shall be sold or transferred under the age of eight weeks unless the puppy or kitten is approved for sale, as evidenced by written documentation from a veterinarian licensed to practice in California, prior to any physical transfer of the puppy or kitten from the seller or transferor to the new owner.

B. For the purposes of this Section, the sale of a puppy or kitten shall not be considered complete unless and until the seller or transferor physically transfers the puppy or kitten to the new owner.

**8.06.055 Advertisements, Sale or Transfer of Animals.**

A. Any person who advertises to the public the availability of any dog or cat for sale or transfer, whether for compensation or otherwise, shall prominently display the license number as described in Section 8.06.030 of this Chapter in any such advertisement except as provided in subsection (a)(3) of this Section.

1. If the person is selling a litter of puppies and/or kittens under the age of four (4) months, the license number of the animal who was bred must be displayed.

2. If the person is selling a dog or cat over the age of four (4) months, the license number of the animal who is being sold or transferred must be displayed.

3. If the person is selling a puppy or kitten under the age of four (4) months, the person selling the puppy or kitten shall disclose the name and address of the animal's original owner upon request by the new owner or Animal Services.

B. The license holder of any dog or cat must provide the license number to any person who purchases or receives any dog or cat from the license holder. The license number must also be included on any receipt of sale or transfer document. If the animal being sold or transferred is a locally bred puppy or kitten under the age of four (4) months, the license holder must provide the license number of the animal who was bred on any receipt of sale or transfer document. If the puppy or kitten was bred from an animal residing outside the City's jurisdictional boundaries, then the person selling the animal shall provide the name and address of the source of such dog or cat and any other pertinent information required by the Animal Services Manager.

C. No person shall present any dog or cat for sale or transfer, whether for compensation or otherwise, in any public place. The term public place shall include, but not be limited to, streets, highways, sidewalks, carnivals, flea markets, swap meets, outdoor markets, boardwalks, and areas in front of commercial establishments.

D. No person shall give away any dog or cat as a prize or as an inducement to enter into any contest, lottery, drawing, game, or competition.

E. No person shall give away any dog or cat as an inducement to enter a place of business, or to enter into a business arrangement.

F. A commercial establishment selling locally bred dogs or cats on the premises shall prominently display the license number(s) of the dogs and/or cats that are sold in said establishment and any other pertinent information required by the Animal Services Manager.

1. If the commercial establishment is selling a litter of puppies and/or kittens under the age of four months, the license number of the animal who was bred must be displayed.

2. If the commercial establishment is selling a dog or cat over the age of four (4) months, the license number of the animal who is being sold or transferred must be displayed.

3. If the commercial establishment is selling a puppy or kitten under the age of four (4) months, the commercial establishment shall display the source or origin of the puppy or kitten. Source or origin refers to where the animal came from, which would include name and address.

4. If a commercial establishment is advertising the commercial establishment itself, and not a particular animal for sale or transfer, then no license number is required to be displayed in said advertisement.

G. A commercial establishment selling dogs or cats on the premises that were bred within the State of California but not within the City shall make available the name and address of the source of such dogs, and/or cats, and any other pertinent information required by the Animal Services Manager, to Animal Services during regular business hours.

H. Notwithstanding Section 8.06.050, no person shall sell or transfer a dog or cat under the age of four (4) months of age that was bred outside the State without first providing the Animal Services with a current or valid California health certificate for each animal intended to be sold or transferred within the City, and upon request, provide the new owner with said California health certificate.

### 8.06.060 Penalties.

A violation of any of the provisions of Chapter 8.06 may be punishable criminally as a misdemeanor or, in the alternative, by imposition of administrative monetary penalties pursuant to Section 8.04.050 of this Title. Administrative monetary penalties shall be enforced and collected according to the procedures set forth in Section 8.36.130.

### 8.06.065 Use of Fees and Penalties.

Animal Services will use a percentage of all penalty fees collected pursuant to Section 8.06.060 and a percentage of all unaltered license fees to assist public or private programs that provide pet sterilization programs to low income individuals and families in the City.

**SECTION 5.** Chapter 8.07 of the Rancho Cordova Municipal Code, "Vicious Animals," is hereby deleted and replaced in its entirety to read as follows:

## Chapter 8.07 VICIOUS ANIMALS

### 8.07.010 Purpose.

The purpose of this Chapter is to regulate the keeping of animals which are potentially vicious or involve a threat to the safety of people and other animals on streets, sidewalks, and private property where the animals are not properly maintained as such animals constitute a serious hazard within the City. The increasing tendency to maintain dogs which, by virtue of breeding or training, have a propensity to attack others, compounds the hazard. Injuries to innocent persons and other animals resulting from attacks by animals illustrate the need for proper regulation which would reduce the safety hazard.

Every owner of an animal is held strictly accountable for the exercise of such control over the animal as necessary to insure that the animal does not injure innocent human beings or other animals that are not on the premises where the animal is maintained. Such strict accountability is hereby imposed whether or not the injury results from the negligence or other fault of the owner, and regardless of the degree of precaution or control exercised by the owner.

### 8.07.015 Owner Responsible and Penalty.

Any owner of any animal is deemed responsible for the acts committed by that animal when the owner has failed to comply with the legal requirements for the keeping of that animal as defined in this Title. No person shall permit or suffer an animal to act in such a manner that constitutes vicious behavior as defined in Section 8.01.130 of this Title.

A violation of any of the provisions of this Chapter is punishable as otherwise provided in this code and as follows:

Any violations of this Chapter involving a potentially dangerous dog shall be punished by a fine not to exceed five hundred dollars ($500). Any violation of this Chapter involving a vicious dog shall be punished by a fine not to exceed one thousand dollars ($1,000). Any animal owner who maintains any animal in such a manner as to permit or suffer it to exhibit vicious behavior shall also be guilty of a misdemeanor.

Nothing in this Chapter shall prevent prosecution for violations of other statutes or codes which may deal with other or more specific offenses, including, but not limited to, penal and civil statutes.

**8.07.020 Sale Prohibited.**

No animal held in custody by the Animal Services, which is known to have exhibited vicious behavior as defined in this Title, shall be released for sale to any member of the public. Such animal shall be destroyed upon exhaustion of the required period of impoundment unless legally reclaimed by the owner.

**8.07.025 Quarantine.**

No animal which has been declared vicious, or against which a vicious animal affidavit has been filed, may be impounded or quarantined at any place other than the Animal Services Center unless authorized by the Animal Services Manager.

**8.07.030 Filing of Charges.**

Any person, including employees of Animal Services, possessing personal knowledge of facts that there exists a vicious or dangerous animal within the City may file with Animal Services a written affidavit, signed under penalty of perjury, which contains the following facts:

1. A description of the offending animal including, to the extent known, the color, size, sex, breed and name of the animal, and the name and address of the owner of the animal;

2. An assertion that the animal described is a vicious animal within the meaning of Section 8.01.110, or a dangerous animal within the meaning of Section 8.01.120, together with a statement of the facts upon which the assertion is based, including the name and address of any person who has been victimized or injured by the animal; the name and address of the owner of any animal that has been injured; a description of the extent of the injuries; the names and addresses of any witnesses thereto; the time, date, and location of any incident related to the assertion; and, an explanation of how the personal knowledge of the affiant was acquired; and

3. The name, residential and occupational addresses and telephone numbers of the affiant.

**8.07.035 Timely Filing.**

Unless otherwise provided, the filing of a vicious or dangerous animal affidavit must be made within thirty (30) calendar days of the most recent event or circumstances occasioning the affidavit. Upon evidence that good cause exists that the affidavit could not be filed within thirty (30) calendar days, the Animal Services Manager may extend the deadline for filing of the affidavit.

**8.07.040 Impoundment of Animal.**

Upon receipt by the Animal Services Manager of an affidavit filed in compliance with Section 8.07.030 and Section 8.07.035 of this Chapter, the Animal Services Manager shall initiate an investigation of the incident or incidents described in the affidavit for the purpose of verifying the facts stated or obtaining other information. The investigation shall be completed no later than

seven (7) business days after the date the affidavit is filed. If, after an investigation, the identified facts show the existence of a vicious animal within the meaning of Section 8.01.110 or a dangerous animal within the meaning of Section 8.01.120 of this Title, the Animal Services Manager shall locate and impound the animal which is the subject of the charges within forty-eight (48) hours of the date the investigation is completed.

**8.07.045 Notice of Hearing.**

Not later than fourteen (14) calendar days after the impoundment of a purportedly vicious or dangerous animal, or at such time as is determined by the Animal Services Manager, the Animal Services Manager shall either personally serve upon or mail to the residential address of the owner of the animal and the affiant the following:

1. A written notice of the time, date, and place of the hearing prescribed by Chapter 8.09 of this Title, the date of said hearing to be scheduled not earlier than fourteen (14) calendar days following the date of personal service or deposit in the United States mail of the notice;

2. A copy of the affidavit filed pursuant to Section 8.07.030 and Section 8.07.035; and

3. A copy of the provisions of this Title.

Conversely, if, or after an investigation, the identified facts show that no cause exists to conduct a vicious or dangerous animal hearing, the Animal Services Manager shall notify the affiant and the animal owner of this in writing.

**8.07.050 Bond Required.**

At the discretion of the Animal Services Manager, any animal impounded or quarantined pursuant to the provisions of this Chapter may be returned to the custody of its owner pending the conduct of the vicious or dangerous animal hearing and the rendering of a decision by the Hearing Officer provided such return is determined to pose no threat to public health and safety. The owner, if authorized by the Animal Services Manager, may gain custody of the animal by posting a cash bond in the amount of one thousand dollars ($1,000), or such greater amount as is justified in writing and approved by the Animal Services Manager as necessary to assure the return of the animal, or by furnishing other security upon review and approval by the City Attorney. Said bond or other security shall be forfeited in the event the animal is not delivered into the custody of Animal Services if so ordered in the decision rendered by the Hearing Officer.

**8.07.055 Registration.**

Any animal which has been declared by the Hearing Officer to be vicious within the meaning of Section 8.01.110 or potentially dangerous within the meaning of Section 8.01.120 shall be subject to special registration requirements as follows:

1. An owner of a vicious or potentially dangerous animal is required to pay, in addition to any required licensing or permit fee, an annual special registration fee (as applicable) which shall be valid and renewable concurrent with the effective dates of the licensing of the animal. Late registration is subject to a penalty fee equal to the annual special registration fee; and

2. An owner of a vicious or potentially dangerous animal shall allow Animal Services to implant a microchip under the skin of the animal prior to release to the owner in order to identify the animal as a vicious or potentially dangerous animal. The microchip number shall be added to the City and national register for micro-chipped animals. The owner of a vicious or potentially dangerous animal shall reimburse Animal Services for the cost of micro-chipping and registration.

**8.07.060 Keeping of a Potentially Dangerous Animal.**

Except as otherwise provided in the decision rendered by the Hearing Officer, the keeping of an animal which has been declared potentially dangerous shall, at a minimum, be subject to the following provisions:

1. The animal shall be properly licensed and vaccinated. The Animal Services Manager shall include the potentially dangerous designation in the records of the animal, either after the owner or keeper of the animal has agreed to the designation, or a Hearing Officer has determined the designation applies to the animal.

2. If the animal in question dies, or is sold, transferred, or permanently removed from the location where the owner or keeper resides, the owner of a dangerous animal shall notify Animal Services of the changed condition and new location of the animal in writing within two working days.

3. If there are no additional instances of the behavior described in Section 8.01.120 within a 36-month period from the date of designation as a dangerous animal, the animal shall be removed from the list of potentially dangerous animals. The animal may, but is not required to be, removed from the list of potentially dangerous animals prior to the expiration of the 36-month period if the owner or keeper of the dog demonstrates to the Animal Services Manager that changes in circumstances or measures taken by the owner or keeper, such as training of the animal, have mitigated the risk to public safety.

4. The owner of an animal that has been designated as potentially dangerous must abide by all conditions imposed at the hearing regarding how to keep the potentially dangerous animal. This involves proper enclosure for such animal. For purposes of this Section, "enclosure" means a fence or structure suitable to prevent the entry of young children, and which is suitable to confine a vicious dog in conjunction with other measures which may be taken by the owner or keeper of the dog. The enclosure shall be designed in order to prevent the animal from escaping. The animal shall be housed pursuant to Section 597t of the California Penal Code.

All costs associated with these provisions or any other or additional provisions ordered by the Hearing Officer shall be borne by the owner of the animal which has been declared to be potentially dangerous.

**8.07.070 Destruction; Non-Destructions; Conditions.**

A. An animal determined to be vicious, within the meaning of Section 8.01.110, may be destroyed by Animal Services when it is found, after proceedings conducted under Section 8.09.050, that the release of the animal would create a significant threat to the public health, safety, and welfare.

B. If it is determined that an animal found to be vicious shall not be destroyed, the Hearing Officer shall impose conditions upon the ownership of the animal that protect the public health, safety, and welfare.

**SECTION 6**. Chapter 8.09 of the Rancho Cordova Municipal Code, "Procedures," is hereby deleted and replaced in its entirety to read as follows:

**Chapter 8.09 PROCEDURES**

**8.09.010 Purpose.**

The purpose of this Chapter shall be to create special procedures to assure full access to administrative remedies in the application or enforcement of this Title, and for the mediation of disputes involving any animal governed by this Title. Such procedures shall be administered by the Animal Services Manager and conducted by the Hearing Officer.

**8.09.020 Cause for Hearing.**

Hearings may be held to determine the following:

1. That an animal is a vicious animal within the meaning of this Title;

2. That the decision of the Hearing Officer has been breached; or

3. That cause for an order no longer exists and the owner may be relieved of the conditions imposed by said order;

4. That a permit has been denied, issued conditionally, or revoked in accordance with the provisions of this Title; or

5. Whether an administrative penalty is required to be paid.

A person shall be deemed to have shown cause for a hearing to be held when he or she complies with the applicable appeal, complaint or charge filing provisions specified in this Title.

As requested by the Animal Services Manager, hearings may be held in order to attempt mediation of such other matters as may arise from the keeping of animals.

**8.09.030 Authority of Hearing Officer.**

The Hearing Officer shall be authorized, within the scope of authority given by Title 8 and the Animal Services Manager, to conduct hearings to resolve conflicts arising from the application and enforcement of this Title, to make binding determinations and to mediate disputes related to the keeping of animals pursuant to this Title.

**8.09.040 Oaths and Subpoenas.**

The Hearing Officer shall have the power to administer oaths or affirmations. At the request of either the Animal Services Manager or the animal owner, the City Clerk shall, on behalf of the City Council, issue subpoenas for attendance of witnesses at the hearing.

**8.09.050 Hearing.**

A. Not later than thirty (30) calendar days following the date of filing either an appeal under this Title, the Hearing Officer shall conduct a hearing to determine whether the requested action should be granted or denied. Written notice of the time, date, and place of the hearing shall be served upon the Animal Services Manager, the affiant and the animal owner not later than fourteen (14) calendar days preceding the date of the hearing.

During the hearing, the burden of proof shall rest with the plaintiff and such proof shall be based upon a preponderance of the evidence. The provisions of the California Administrative Procedure Act (commencing at Section 11500 of the Government Code) shall not be applicable to such hearing nor shall formal rules of evidence in civil or criminal judicial proceedings be applicable. The affiant and the animal owner may appear, present evidence, and examine and cross-examine witnesses.

Absent extraordinary circumstances as determined by the Hearing Officer, no animal may be presented as evidence or be present during the hearing.

In the event the affiant or the animal owner fails to appear at the time, date, and place appointed for the hearing, the hearing shall be conducted in the absence of the affiant or animal owner and the Hearing Officer shall render a decision based upon evidence presented during the hearing.

For good cause as determined by the Hearing Officer, the hearing may be continued, but for not more than thirty (30) calendar days, upon request of either the Animal Services Manager, the affiant or the animal owner. Notice of the continuance, if granted, and the new date and time of the hearing shall be made to all parties to the hearing.

For the convenience of the Hearing Officer only, the hearing shall be tape recorded and the tape recordings and all documents presented as evidence shall be maintained for a period of three (3) years as a part of the record of the hearing.

B. Unless otherwise agreed by the parties, within fourteen (14) calendar days of the conclusion of the hearing, the Hearing Officer shall issue a written decision, including, but not limited to, findings of fact and conclusions relative to the following:

1. Whether, based upon the evidence presented during the hearing, the action requested is granted or denied; and

2. What disposition should be made as a consequence.

C. The Hearing Officer shall make a disposition based upon consideration of all of the facts and circumstances revealed by the evidence presented in the hearing and may order either:

1. That Animal Services destroys the animal in question;

2. That the Animal Services Manager release the animal in question to the owner, subject to such conditions or special registration requirements as may be specified in this Title, or required to ensure public safety and animal welfare;

3. That the Animal Services Manager remove the animal in question for disposition in accordance with the applicable provisions of this Title;

4. That the Animal Services Manager releases the animal in question to the owner subject to payment of such fees and expenses as may be applicable according to the provision of this Title.

D. Unless otherwise agreed by the parties, notice of the written decision, including a copy thereof, shall be filed with the Animal Services Manager and shall be personally served upon or deposited in the United States mail to the affiant and the animal owner not later than twenty-one (21) calendar days following the date on which the hearing was concluded.

E. Failure to comply with any procedural requirements or time limits of this Title shall not deprive the Hearing Officer of jurisdiction over the issue nor shall not vitiate any hearing conducted or order made pursuant to this Title unless such failure constitutes a denial of due process of law.

**8.09.060 Finality of Determination.**

The decision of the Hearing Officer shall be final and there shall be no appeal to the City Council.

**8.09.070 Disposition of Animal.**

Except as otherwise provided, in the event that the Hearing Officer orders destruction of an animal, the Animal Services Manager shall immediately impound or continue to impound said animal until fourteen (14) days following the date of personal service upon or deposit in the United States mail of notice of the Hearing Officer's decision to the owner. In the event that the Animal Services Manager is personally served with summons or other legal process in connection with a lawsuit which seeks review of the Hearing Officer's decision, the animal shall not be destroyed and shall continue to be impounded at the owner's expense while the lawsuit is pending.

**8.09.080 Release of Animal.**

No animal impounded pursuant to Chapter 8.07 shall be released to any person other than the owner of such animal. Should the owner fail to redeem the animal by the date specified in the decision of the Hearing Officer, unless for good cause as determined by the Animal Services Manager, the animal shall be destroyed.

Notwithstanding any other provision in this Chapter or a decision or order by the Hearing Officer to the contrary, the Animal Services Manager shall not release an animal impounded pursuant to Chapter 8.07 to the owner absent compliance with the provisions relating to redemption prescribed by State law, including, but not limited to, the payment by the owner of all fees and charges for impoundment.

**8.09.090 Notification of Change.**

At such time as an animal declared to be vicious dies, or the location where the animal is kept changes either through change of residence or of ownership, the person owning the animal must notify, in writing within five (5) calendar days, the Animal Services Manager of the change.

Such notification must include the date of the animal's death and the place of burial or disposal of the animal or the name and the residential and occupational addresses and telephone numbers of the new owner and the new address and telephone number where the animal is to be kept.

**8.09.095 Time for Compliance.**

The owner shall comply with the order of the Hearing Officer within fourteen (14) calendar days following the date on which notice of the written decision is served upon the owner pursuant to section 8.09.50 of this chapter.

**8.09.100 Failure to Comply.**

Failure of the owner to comply with the provisions of this Chapter or the order of the Hearing Officer is a misdemeanor.

**8.09.110 Breach of Conditions.**

Jurisdiction shall continue in the Hearing Officer to order the removal and destruction of any animal which has been declared vicious, should any of the conditions imposed by the order of the Hearing Officer be breached. Such action shall be taken pursuant to a hearing initiated by the Animal Services Manager and scheduled and conducted in accordance with the provisions of Section 8.09.050 except that once prima facie evidence of the breach of conditions has been established, the burden of proof shall be upon the owner to show cause as to why the animal should not be removed and destroyed.

**8.09.120 Relief.**

If, after a period of two (2) years from the date of the determination of the Hearing Officer that the animal is vicious, it can be demonstrated that the owner has complied with the order of the Hearing Officer and that no further cause exists for the order to stay in force, the owner may apply to the Hearing Officer in writing, for relief from the conditions for keeping or the provisions for special registration of the animal. Upon investigation by the Animal Services Manager and concurrence by the Hearing Officer, relief may be granted and the owner so notified in writing or a hearing may be conducted to determine if cause for relief exists.

**8.09.130 Administrative Fines or Penalties - Procedures.**

A. Administrative penalties established pursuant to this Title shall be imposed and collected as set forth herein.

B. Notice of Violation. When a violation of any of the provisions of this Title is identified, the Animal Services Manager shall issue a Notice of Violation to the owner. The Notice shall be on a form prescribed by the Animal Services Manager and shall contain the following information:

1. Date, approximate time, and address or definite description of the location where the violation(s) was observed;

2. The code section violated and a description of the violation;

3. A description of the action required to correct the violation;

4. An order to the owner to correct the violation(s) within a time specified and an explanation of the consequences of failure to correct the violation(s);

5. The amount of the monetary penalty for the violation(s);

6. An explanation of how the penalty shall be paid, the time period by which it shall be paid, and the place to which the penalty shall be paid;

7. Identification of rights of appeal, including the time within which the Notice may be contested and the place to obtain a Notice of Appeal and Request for Hearing form to contest the Notice of Violation; and

8. The name and signature of the citing officer and, if possible, the signature of the responsible owner. A single Notice of Violation may charge a violation for one or more days on which a violation exists, and for the violation of one or more code sections.

C. Service of Citation. The Animal Services Manager shall impart notice to the owner of the violation in the following manner:

1. Personal Service. The Animal Services Manager shall attempt to locate and personally serve the responsible owner and, if possible, obtain the signature of the responsible owner on the Notice of Violation. If the responsible owner served refuses or fails to sign the Notice, the failure or refusal to sign shall not affect the validity of the Notice or of subsequent proceedings.

2. Mail. If, for any reason, the Animal Services Manager is unable to personally serve the Notice of Violation on the responsible owner, the Notice shall be mailed to the responsible owner by certified mail, postage prepaid with a requested return receipt. Concurrently, the citation shall be sent by regular mail. Service by mail shall be sent to the responsible owner's address as shown on public records or as known by the City. If the Notice is sent by certified mail and returned unsigned, then service shall be deemed effective by regular mail, provided the Notice sent by regular mail is not returned by the post office. Service by mail shall be effective on the date of mailing.

3. Posting Notice. As an alternative to service by mail, and if the Animal Services Manager is unable for any reason to personally serve the responsible owner, the Animal Services Manager may post the Notice of Violation at a conspicuous location on any real property within the City in which the Animal Services Manager has knowledge that the responsible owner has a legal interest, and such posting shall be deemed effective service. Service shall be deemed effective pursuant to posting on the date that the Notice is actually posted.

4. The failure of any responsible owner to receive any notice served in accordance with this Section will not affect the validity of any proceedings taken under this Chapter.

D. Opportunity to Correct the Violation. Once a Notice of Violation has been served upon a responsible owner, the owner shall be allowed fourteen (14) days to correct or remedy the violation. If the responsible owner properly corrects or remedies the violation, he or she shall not be assessed an administrative penalty. If the responsible owner fails to correct or remedy the

violation, administrative penalties shall be assessed from the date written upon the Notice. This subsection shall not be construed to waive any fee or payment that would ordinarily be required pursuant to this Title.

E. Satisfaction of Notice of Violation.

1. Upon receipt of a Notice of Violation, the responsible owner must do the following: (i) pay the administrative penalty to Animal Services; and (ii) demonstrate to the Animal Services Manager that the violation has been corrected or remedied, if the violation(s) is of such a nature that it can be remedied.

2. If a responsible owner fails to properly correct or remedy a continuing violation in accordance with subsection (d) or otherwise, the owner shall pay the accrued penalty amount to the Animal Services. Penalty amounts shall continue to accrue as specified up until the date the responsible owner satisfies the Notice of Violation or files a Notice of Appeal. Payment of an accrued penalty shall not excuse or discharge the owner's responsibility to correct or remedy the cited violation, nor shall it bar further enforcement action by the Animal Services Manager.

F. Appeal of Citation.

1. Any recipient of a Notice of Violation may contest that there was a violation of this Title or that he or she is the responsible owner by completing a Notice of Appeal and Request for Hearing form and filing it with Animal Services within fifteen (15) calendar days from the date of issuance of the Notice, together with an advance deposit of the total amount of the monetary penalty, or the timely filing of a Request for an Advance Deposit Hardship Waiver pursuant to subsection (g) of this Section, and the hearing fee as established by the City Council. Any appeal of the Notice of Violation must include a detailed written explanation of as to the grounds for appeal.

2. The filing of a Notice of Appeal does not stay, postpone or excuse the responsible owner's duty to correct or remedy a cited violation. The proper filing of a Notice of Appeal, along with an advance deposit of the total accrued penalty including any fees that are the subject of the Notice of Violation and the hearing fee as established by the City Council, will toll any late penalties that would accrue thereafter for a continuing violation. If the Hearing Officer upholds the Notice of Violation, any applicable late penalties shall begin to accrue again on the day following the issuance of the Hearing Officer's written Decision. Any penalty amount that has been deposited in advance shall be refunded if it is determined, after a hearing, that the person charged in the Notice of Violation was not responsible for the violation(s) or that there was no violation(s) as charged in the Notice of Violation.

3. The failure to submit a timely and complete request for hearing will terminate a person's right to contest the Notice of Violation and result in a failure to exhaust administrative remedies, and the order of the Notice of Violation will serve as a formal determination and conclusive evidence of the named responsible owner's liability.

G. Advance Deposit Hardship Waiver. A person seeking an administrative hearing may request a hardship waiver of the penalty deposit by filing with the Animal Services Manager a completed "Advance Deposit Hardship Waiver," which must be signed under penalty of perjury. The request must be submitted along with the request for hearing. The person requesting the waiver bears the burden of establishing that such person does not have the financial ability to make the deposit. The request will be decided by the Animal Services Manager within three (3)

business days from the date the request is received, and the Animal Services Manager's decision is final. The applicant will be notified by telephone, facsimile, or in person of the decision on the request. The filing of a request for hardship waiver does not extend the time to file for an administrative hearing or pay the penalty when due. If the request for hardship waiver is denied, an administrative hearing will not be scheduled unless the penalty deposit is paid within five (5) business days following the Animal Services Manager's determination on the request for a hardship waiver.

H. Hearing Officer. The City Hearing Officer shall conduct the administrative hearing. In addition to the authority conferred in this Section, the Hearing Officer shall have the authority set forth in Section 8.09.030 of this Chapter.

I. Hearing Procedure. The following rules shall apply to the conduct of a hearing under this section:

1. No hearing to contest an administrative penalty before a Hearing Officer shall be held unless and until: (a) a Notice of Appeal and Request for Hearing form has been completed and timely filed, (b) the hearing fee as established by the City Council has been paid and (c) either the total amount of the penalty has been timely deposited in advance with the Animal Services Manager or a Request for an Advance Deposit Hardship Waiver has been timely filed pursuant to Subsection (G) of this Section;

2. The hearing before the Hearing Officer shall be set for a date that is not less than fifteen (15) and not more than sixty (60) calendar days from the date that the Notice of Appeal and Request for Hearing form is filed in accordance with the provisions of this Section. The person requesting the hearing shall be notified of the time and place set for the hearing at least ten (10) calendar days prior to the date of the hearing;

3. The Hearing Officer shall only consider evidence relevant to whether the violation(s) occurred and whether the responsible owner has caused, maintained or allowed the violations of this Chapter;

4. The person contesting the administrative penalty shall be given the opportunity to testify and present witnesses and evidence concerning the alleged violation;

5. The failure of any recipient of a Notice of Violation to appear at the hearing or, in the alternative, to present written or demonstrative evidence, shall constitute an admission of the violation by the recipient and an admission that the amount of the administrative penalty is appropriate as well as a failure to exhaust administrative remedies that may bar judicial review;

6. The Notice of Violation and any additional documents submitted by the Animal Services Manager shall constitute prima facie evidence of the respective facts contained in those documents;

7. If the Animal Services Manager submits an additional written report concerning the alleged violation to the Hearing Officer for consideration at the hearing, then a copy of this report also shall be served by first class mail on the person requesting the hearing at least five (5) days prior to the date of the hearing;

8. At least ten (10) days prior to the date of the hearing, the recipient of a Notice of Violation shall be provided with copies of the notices, reports and other documents submitted or relied upon by the Animal Services Manager. No other discovery is permitted. Formal rules of evidence shall not apply;

9. The Hearing Officer may continue the hearing and request additional information from the Animal Services Manager or the recipient of the Notice of Violation prior to issuing a written decision;

10. The Hearing Officer is not required to provide transcripts of hearings, but is required to make available tapes of hearings for a fee.

J. Hearing Officer's Decision.

1. After considering all of the testimony and evidence submitted at the hearing, the Hearing Officer shall issue a written decision within ten (10) days of the date of the hearing to uphold or cancel the Notice of Violation and shall list in the Decision the reasons for that determination. The decision of the Hearing Officer shall be final;

2. If the Hearing Officer determines that the Notice of Violation should be upheld, then the Animal Services Manager shall retain the penalty amount, including any fee that is the subject of the Notice of Violation, on deposit with the Animal Services Manager;

3. If the Hearing Officer determines that the Notice of Violation should be upheld, and the penalty has not been deposited pursuant to an advance deposit hardship waiver, the Hearing Officer shall set a payment schedule for the payment of the penalty, including any fee that is the subject of the Notice of Violation. Accrual of any late penalty charges shall resume on the day following the date of the Hearing Officer's Decision;

4. If the Hearing Officer determines there has been no violation and the penalty was deposited with the Animal Services Manager, then the Animal Services Manager shall promptly refund the amount of the deposited penalty;

5. The recipient of the Notice of Violation shall be served with a copy of the Hearing Officer's written Decision.

K. Failure to Pay Administrative Penalties.

1. The failure of any person to pay the administrative penalties assessed in connection with a Notice of Violation within the time specified on the Notice constitutes a debt to the City and may result in the matter being referred to a collection agency, which may file a claim with the small claims court or, in the alternative, utilize any means within its power to collect the amount owed. The City may pursue any other legal remedy to collect the administrative fines.

2. Any person who fails to pay to the City any administrative penalty imposed pursuant to this Title on or before the date the fine is due shall also be liable in any action brought by the City for all costs incurred in securing payment of the delinquent amount, including, but not limited to, administrative costs and attorneys' fees. Such collection costs are in addition to any required fees, penalties, interest and late charges.

3. Notwithstanding all of the procedures set forth in this Section, the Animal Services Manager shall have the ability and discretion to enforce violations of this Title, to impose necessary conditions, to forgive portions of a debt or penalty owed to the City under this Title, and to coordinate collection and enforcement efforts with a collection agency.

L. Right to Judicial Review. Any person aggrieved by an Administrative Decision of a Hearing Officer on an administrative citation may obtain review of the Administrative Decision by filing a Petition for Review with the Sacramento County Superior Court in accordance with the timelines and provisions as set forth in California Government Code section 53069.4.

**SECTION 7**. Severability.

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

**SECTION 8.** Effective Date and Publication.

Within fifteen (15) days from and after adoption, this Ordinance shall be published once in the Grapevine Independent, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with California Government Code Section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its adoption.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova this 20th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**ATTACHMENT 2**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 30-2009**

**A RESOLUTION OF THE CITY COUNCIL ESTABLISHING LICENSING FEES AND HEARING FEES RELATED TO ANIMAL SERVICES**

**WHEREAS**, the City of Rancho Cordova's Municipal Code, Title 8, contains regulations regarding animal care and control; and

**WHEREAS**, pursuant to Rancho Cordova Municipal Code Title 8, licensing fees and other fees associated with Animal Services need to be adopted by resolution; and

**WHEREAS**, Chapter 8.06 of the revised Animal Services Title requires that every person who owns, possesses, harbors or controls any dog or cat, to obtain a license before the dog or cat reaches the age of four (4) months; and

**WHEREAS**, in accordance with Government Code Section 50076, the City may impose fees that do not exceed the reasonable cost of providing the service or regulatory activity for which the fees are charged and which are not levied for general revenue purposes are not special taxes as defined in Article 3.5 of the Government Code; and

**WHEREAS**, dog licensing fees are imposed and collected pursuant to Government Code section 38792 and Food and Agricultural Code section 30625; and

**WHEREAS**, the City has evaluated the cost of certain services related to the functions of Animal Services and has determined that the City is currently not recovering its costs of providing such services. The City now wishes to update its licensing fees for altered and unaltered dogs and cats and its hearing fee in order to recover its costs; and

**WHEREAS**, the City further wishes to update its annual licensing fee for dogs declared potentially dangerous in accordance with Chapter 8.07 of the City's Municipal Code and the California Food and Agricultural Code Section 31641; and

**WHEREAS**, this proposed resolution will allow Animal Services to better serve City residents by updating and establishing fees which recover the City's costs in order for the City to continue providing high-level services; and

**WHEREAS**, pursuant to Section 8.06.065 of the City Municipal Code, and as allowed by State law, Animal Services will use a percentage of all unaltered license fees to assist public or private programs that provide pet sterilization programs to low income individuals and families in the City; and

**WHEREAS**, Animal Services has prepared a fee schedule for licensing fees and for the reasonable cost of other services related to Animal Services that will be charged City-wide.

**NOW, THEREFORE,** the City Council of the City of Rancho Cordova resolves as follows:

1. **Adoption of Fees:**

A. Licensing fees for dogs and cats, as required pursuant to Chapter 8.06 of the City's Municipal Code are established as follows:

| | |
|---|---|
| Annual license – altered: | $15.00 |
| Two year license – altered: | $30.00 |
| Three year license – altered: | $45.00 |
| Annual license – unaltered: | $150.00 |
| Two year license – unaltered: | $300.00 |
| Three year license – unaltered: | $450.00 |

**If eligible for an unaltered discount under Title 8 of the Municipal Code, the total license amount, as set forth above, shall be reduced by: $50.00 per year

**Late Fee: $100.00

**Seniors over 65 years of age receive a 50% discount on all licensing fees, not including additional annual licensing fee for potentially dangerous dogs.

**Additional annual licensing fee for dogs declared potentially dangerous in accordance with California Food and Agricultural Code Section 31641 and Section 31602: $100.00

B. The fee for administrative hearings and other related hearings provided under Title 8 of the Rancho Cordova Municipal Code is set at: $100.00

2. **City Manager Authority**: The City Manager is authorized to review the fees imposed by Animal Services and adjust the fees to reflect the actual costs of providing the services as required by State law. This review shall happen at least every 12 months.

3. **Use of Fees Revenue**: The revenues raised by payment of the fees and charges established by this Resolution shall be used to fund the estimated reasonable cost of providing the services for which the fees are charged, and the revenues from such fees and charges shall not be used for general revenue purposes.

4. **CEQA**: Such fees as they relate to the provision of services by Animal Services within the City are not a "project" within the meaning of the California Environmental Quality Act (Public Resources Code § 21080(b)(8)(D)).

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**
**NOES:**
**ABSENT:**
**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Donna Silva, Finance Director

**SUBJECT:** **ORDINANCES TEMPORARILY SUSPENDING AUTOMATICALLY PROGRAMMED ANNUAL PROGRAM FEE ADJUSTMENTS FOR A PERIOD OF ONE YEAR CERTAIN DEVELOPER IMPACT FEE PROGRAMS**

## RECOMMENDATION

Waive first readings and introduce Ordinance Nos. 5-2009, 6-2009 and 7-2009, temporarily suspending automatic annual program fee inflationary adjustments for a period of one year for the following developer impact fee programs:

- City Transportation Impact Fee
- Sunrise Douglas Community Plan Fee
- Villages of Zinfandel Development Impact Fee; and

Direct staff to suspend automatically programmed annual program fee adjustment for a period of one year for the City Transportation Impact Fee, the Sunrise Douglas Community Plan, and the Villages of Zinfandel Development Impact Fee Programs, waive full readings of the ordinances, and continue the ordinances to April 20, 2009 for adoption.

## RESULT OF RECOMMENDED ACTION

Adoption of these ordinances will suspend the automatic annual Construction Cost Index (CCI) inflationary fee adjustments for the three developer impact fees for a period of one year, beginning March 1, 2009.

## BACKGROUND

The City collects and administers developer impact fees, which are one-time capital recovery charges collected on new building permits. They are used to mitigate the cost of new development by funding capital improvements needed to serve new development.

On March 1 of each year, these fees are adjusted, using a standard cost index called the Construction Cost Index (CCI). This allows the City to keep pace with construction cost increases and inflation. In past years, the index has ranged from 1.3 percent to 5.3

percent. Based on the current index values, the 2009 adjustment is 6.36 percent, the highest to date.

Although the cost index increased substantially, overall development has declined due to the effects of the economic downturn.

## PROJECTED DEVELOPMENT

The following table provides a comparison of development activity in the City from 2007 to 2008, and development projections for the 2009/10 year.

### Residential Development

| | Permits Issued 2007 | Permits Issued 2008 | Projected Permits Issued 2009/10 |
|---|---|---|---|
| Single Family | 698 | 315 | 200 |
| | Percent of 2007 | 45% | 36% |

The economic decline is predominantly affecting new single-family housing construction. Projected residential development activity for the upcoming budget year is only 36% of the 2007 level.

Non-residential development is also anticipated to be lower in 2009/10 than in 2009 and 2008. Due to the unexpectedly high percentage adjustment for 2009, and the ongoing severe economic downturn, staff is recommending that the City Council consider suspending the annual fee adjustments for the year, effective beginning March 1 2009.

## FISCAL IMPACTS

Suspending the fee adjustments will result in a revenue reduction in the funds for each of the affected fees. Based on development projections for the suspension period, the amount of forgone revenue is expected to be approximately $475,000. This mainly impacts the Transportation and Roadway construction funds. In order for sufficient funds to be available to construct the planned roadway projects, alternative funding sources will need to be identified, and/or the roadway projects may need to be scaled back.

## ATTACHMENTS

1. Ordinance No. 5-2009 - Villages of Zinfandel Special Plan Area
2. Ordinance No. 6-2009 - Sunrise Douglas Community Plan Area
3. Ordinance No. 7-2009 - Transportation Impact Fee

**ATTACHMENT 1**

**CITY OF RANCHO CORDOVA**

**ORDINANCE NO. 05-2009**

**AN ORDINANCE OF THE CITY COUNCIL TEMPORARILY SUSPENDING ANNUAL PROGRAM FEE ADJUSTMENT OF EACH FEE CATEGORY WITHIN THE VILLAGES OF ZINFANDEL SPECIAL PLAN AREA**

**THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:**

**Section 1.** Section 16.81.140 of Chapter 16.81, Title 16 of the Rancho Cordova City Code is hereby amended to read as follows:

**16.81.140 ANNUAL PROGRAM FEE ADJUSTMENT**

Beginning March 1, 2009, annual adjustment of the Program Fee per Development Unit for each type of development in each fee category shall be suspended for a period of one (1) year.

Commencing March 1, 2010, and thereafter each year no later than March 15, the Director shall authorize the adjustment of the Program Fee per Development Unit for each type of development in each fee category as follows:

(a) A "mean" index will be computed by averaging the index for 20 U.S. cities within the index for San Francisco by resort to the January issue of the Engineering News Record magazine Construction Cost Index of the year in which the calculation is being made.

(b) An adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (a) of this section by the "mean" index for the previous January, however the March 2010 adjustment factor shall be computed by dividing the "mean" index for January 2008.

(c) The adjusted Program Fee per Development Unit shall be calculated by multiplying the adjustment factor by the Program Fee per Development Unit in place prior to the annual adjustment.

**Section 2.** Severability.

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

**Section 3.** Effective Date and Publication.

Within fifteen (15) days from and after adoption, this Ordinance shall be published once in the Grapevine Independent, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with California Government Code Section 36933.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**ATTACHMENT 2**

**CITY OF RANCHO CORDOVA**

**ORDINANCE NO. 06-2009**

**AN ORDINANCE OF THE CITY COUNCIL TEMPORARILY SUSPENDING ANNUAL PROGRAM FEE ADJUSTMENT OF EACH FEE CATEGORY WITHIN THE SUNRISE DOUGLAS COMMUNITY PLAN AREA**

**THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:**

**Section 1.** Section 16.83.200 of Chapter 16.83, Title 16 of the Rancho Cordova City Code is hereby amended to read as follows:

**16.83.200 ANNUAL PROGRAM FEE ADJUSTMENT**

Beginning March 1, 2009, annual adjustment of the Program Fee per Development Unit for each type of development in each fee category shall be suspended for a period of one (1) year.

Commencing March 1, 2010, and thereafter each year no later than March 15, the Director shall authorize the adjustment of the Program Fee per Development Unit for each type of development in each fee category as follows:

(a) A "mean" index will be computed by averaging the index for 20 U.S. cities within the index for San Francisco by resort to the January issue of the Engineering News Record magazine Construction Cost Index of the year in which the calculation is being made.

(b) An adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (a) of this section by the "mean" index for the previous January, however, the March 2010 adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (a) of this section by the "mean" index for January 2008, and if a new Program fee as been adopted after January of the previous year, the adjustment factor shall be computed by dividing the "mean" index from the month that the fee was adopted.

(c) The adjusted Program Fee per Development Unit shall be calculated by multiplying the adjustment factor, as calculated in subsection (b) of this section, by the Program Fee per Development Unit in place prior to the annual adjustment.

(d) The Estimated Cost of the Facilities used in the Capital Improvement Program and for calculating credits and reimbursements pursuant to Sections 16.83.150, 16.83.160, 16.83.170, and 16.83.180 shall be adjusted annually using the same adjustment factor pursuant to subsections (a), (b) and (c) of this section.

**Section 2.** Severability.

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

**Section 3.** Effective Date and Publication.

Within fifteen (15) days from and after adoption, this Ordinance shall be published once in the Grapevine Independent, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with California Government Code Section 36933.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**ATTACHMENT 3**

**CITY OF RANCHO CORDOVA**

**ORDINANCE NO. 07-2009**

**AN ORDINANCE OF THE CITY COUNCIL TEMPORARILY SUSPENDING ANNUAL PROGRAM FEE ADJUSTMENT OF EACH FEE CATEGORY FOR THE CITY OF RANCHO CORDOVA TRANSPORTATION IMPACT FEE**

**THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:**

**Section 1.** Section 16.84.130 of Chapter 16.84, Title 16 of the Rancho Cordova City Code is hereby amended to read as follows:

**16.84.130 ANNUAL PROGRAM FEE ADJUSTMENT**

Beginning March 1, 2009, annual adjustment of the Program Fee per Development Unit for each type of development in each fee category shall be suspended for a period of one (1) year.

Commencing March 1, 2010, and thereafter each year no later than March 15, the Program Fee per Development Unit for each type of development in each fee category shall be adjusted as follows:

(a) A "mean" index will be computed by averaging the index for 20 U.S. cities within the index for San Francisco by resort to the January issue of the Engineering News Record magazine Construction Cost Index of the year in which the calculation is being made.

(b) An adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (a) of this section by the "mean" index for the previous January, however, the March 2010 adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (a) of this section by the "mean" index for January 2008,and if a new Program fee as been adopted after January of the previous year, the adjustment factor shall be computed by dividing the "mean" index from the month that the fee was adopted.

(c) The adjusted Program Fee per Development Unit shall be calculated by multiplying the adjustment factor, as calculated in subsection (b) of this section, by the Program Fee per Development Unit in place prior to the annual adjustment.

(d) The estimated cost of the facilities used in the Transportation System Capital Improvement Program and for calculating credits and reimbursements pursuant to Sections 16.84.110 and 16.84.120 shall be adjusted annually using the same adjustment factor pursuant to subsections (a), (b) and (c) of this section.

**Section 2.** Severability.

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

**Section 3.** Effective Date and Publication.

Within fifteen (15) days from and after adoption, this Ordinance shall be published once in the Grapevine Independent, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with California Government Code Section 36933.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Donna Silva, Finance Director

**SUBJECT:** **EXTENSION OF DEVELOPMENT IMPACT FEE DEFERRAL PROGRAM**

## RECOMMENDATION

That Council:

A. Waive first reading and introduce Ordinance No. 10-2009 approving an extension of the residential and non-residential Fee Deferral Program for one additional year from July 1, 2009 to June 30, 2010; and

B. Adopt Resolution No. 33-2009 extending temporary deferral of payment of certain development fees for a period of one year.

## RESULT OF RECOMMENDED ACTION

Adoption of Ordinance No. 10-2009 **(Attachment 1)** and Resolution No. 33-2009 **(Attachment 2)** will extend the Development Impact Fee Deferral Program **(Exhibit A)**, established in May of 2008 and set to automatically expire on June 30, 2009, for one additional year, to June 30, 2010. Developers will benefit significantly from the program, as it will reduce their cash outlay at the time of building permit issuance.

## BACKGROUND

The fee deferral program was established in May 2008, in response to requests from a distressed homebuilder and concerns with the effects of the economic downturn on non-residential and residential construction. The City Council authorized the City Manager to establish a temporary Fee Deferral Program.

The current program allows residential and non-residential developers to defer eligible impact fees normally paid at the time of building permit issuance. Developer impact fees are one-time infrastructure and facility charges collected on new building permits. They are used to mitigate the cost of new development by recovering a proportional share of the cost of public infrastructure needed to provide service to new customers.

Due to the ongoing, severe economic downturn, staff determined there is a need for the City to provide continued assistance. The primary purpose of the program is to try to meet the needs of our customers during this difficult market for development, without having a negative impact on the City's ability to have infrastructure and facilities constructed in a timely basis.

In addition to this request for an extension of the program, the City Manager has reduced the interest rate charged in the program to zero.

The program allows deferral of payment of selected City controlled development impact fees to the earlier date of final inspection (or temporary certificate of occupancy) or twelve months.

Fees eligible for deferral are those that are controlled by the City including:

- Transportation Development Impact Fees
- A portion of Community Facilities Fees (excludes portions funding current cost obligations)
- Park Renovation Fee
- Very Low Income Housing Trust Fund (non-residential projects only)
- Certain Specific Plan Area fees, including:
    - Capital Village fees for park renovation and transportation impact
    - Sunridge Douglas fees for interim sewer, roadway construction, library and transit shuttle program
    - Villages of Zinfandel fees for library construction, park renovation and roadway construction

Staff recommends the City Council approve an extension of the Development Impact Fee Deferral Program on a temporary basis, from July 1, 2009 through June 30, 2010.

## ATTACHMENTS

1. Ordinance No. 10-2009 including **Exhibit A** (Development Impact Fee Deferral Program).
2. Resolution No. 33-2009.

**CITY OF RANCHO CORDOVA**

**ORDINANCE NO. 10-2009**

**AN ORDINANCE OF THE CITY COUNCIL AMENDING SECTIONS 16.83 AND 16.84 OF THE CITY MUNICIPAL CODE EXTENDING THE TEMPORARY DEFERRAL FOR PAYMENTS OF CERTAIN DEVELOPMENT IMPACT FEES FOR A PERIOD OF ONE YEAR**

**THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:**

**Section 1.**

**WHEREAS**, In May 2008, in response to the nationwide downturn in the housing market, the City Council adopted Resolution No. 51-2008 establishing a Temporary Developer Impact Fee Deferral Program; and

**WHEREAS**, the City Council also adopted Urgency Ordinance No. 14-2008 amending the City Municipal Code by adding Sections 16.83.105 and 16.84.065, which provided the City Manager the authority to defer certain development impact fees. The temporary fee deferral provisions were set to automatically expire on June 30, 2009; and

**WHEREAS**, during the past year the local, state and national economy has continued to experience severe, multifaceted economic challenges affecting non-residential and residential development investments in Rancho Cordova; and

**WHEREAS**, this ordinance is needed to amend the Municipal Code to extend the time period of the Development Impact Fee Deferral Program **(Exhibit A)** in order to allow the program to remain effective for an additional one year period.

**Section 2.** Section 16.83.105 of the Rancho Cordova City Municipal Code, titled "Payment of Developer Fees – Temporary Deferral," is hereby amended to read as follows:

**16.83.105 PAYMENT OF DEVELOPMENT FEES-TEMPORARY DEFERRAL**

Notwithstanding any other requirement in Section 16.83.100, due to the temporary and acute nationwide slowdown in the housing market, the City Manager shall have the authority to consider and approve requests to defer payment of development impact fees imposed pursuant to this Chapter to the earlier of 24 hours prior to scheduling a final inspection, issuance of a temporary or final certificate of occupancy, or one year from the date the deferral is approved by the City Manager. This Section shall automatically expire and be of no force and effect after June 30, 2010.

**Section 3.** Section 16.84.065 of the Rancho Cordova City Municipal Code, titled "Payment of Transportation Impact Fee – Temporary Deferral," is hereby amended to read as follows:

**16.84.065 PAYMENT OF TRANSPORTATION IMPACT FEE-TEMPORARY DEFERRAL**

Notwithstanding any other requirement in Section 16.84.060, due to the temporary and acute nationwide downturn in the housing market, the City Manager shall have the authority to consider and approve requests to defer payment of development impact fees imposed pursuant to this Chapter to the earlier of 24 hours prior to scheduling a final inspection, issuance of a temporary or final certificate of occupancy, or one year from the date the deferral is approved by

the City Manager. This Section shall automatically expire and be of no force and effect after June 30, 2010.

**Section 4.** Severability.

If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. This City Council declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the ordinance be enforced.

**Section 5.** Effective Date and Publication.

Within fifteen (15) days from and after adoption, this ordinance shall be published once in the Grapevine Independent, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with California Government Code Section 36933. This ordinance shall take effect and be enforced thirty (30) days after its adoption.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

**ATTACHMENT 2**

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 33-2009**

**A RESOLUTION OF THE CITY COUNCIL EXTENDING TEMPORARY DEFERRAL OF PAYMENT OF CERTAIN DEVELOPMENT FEES FOR A PERIOD OF ONE YEAR**

**WHEREAS**, In May 2008, in response to the nationwide slowdown in the housing market the City Council adopted Resolution 51-2008 establishing a Temporary Developer Impact Fee Deferral Program; and

**WHEREAS**, the City Council also adopted Urgency Ordinance 14-2008, amending the City Municipal Code by adding Sections 16.83.105 and 16.84.065, which provided the City Manager the authority to defer certain development impact fees. The temporary fee deferral provisions were set to automatically expire on June 30, 2009; and

**WHEREAS**, during the past year, the local, state and national economy has continued to experience severe, multifaceted economic challenges affecting development investments in Rancho Cordova; and

**WHEREAS**, the fee deferral program allows the City to be responsive to the needs of its customers, without jeopardizing the financial condition of the City and its ability to provide public amenities, to defer the payment of certain developer impact fees and approve the fee deferral submittals as determined appropriate by the City Manager to the earlier of 24 hours prior to scheduling a final inspection, issuance of a temporary or final certificate of occupancy, or one year from the date of the deferral is approved by the City Manager. The extension of this program shall automatically expire and be of no force and effect after June 30, 2010.

**WHEREAS**, deferral of these impact fees are still needed in order to continue to assist developers in continuing and finalizing the construction; and

**WHEREAS**, the City desires to extend the time period of the Development Impact Fee Deferral Program in order to cause the program to remain effective for an additional one year period.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** that the Council authorize the City Manager to extend the time period of the Development Impact Fee Deferral Program to allow the program to remain effective for an additional one year period. The extension of this program shall automatically expire and be of no force and effect after June 30, 2010.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**
**NOES:**
**ABSENT:**
**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

EXHIBIT A

# DEVELOPMENT IMPACT FEE DEFERRAL PROGRAM

**Finance Department**
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Ph: 916.851-8700

**www.cityofranchocordova.org**

CITY OF RANCHO CORDOVA
CALIFORNIA
*Incorporated 2003*

In order to help stimulate economic development and to be responsive to the needs of our customers, the City of Rancho Cordova is offering a fee deferral program for residential, commercial and industrial projects. Rather than requiring developers to pay all "development impact fees" at the time a building permit is issued, developers may request approval to defer the payment of select impact fees. The deferral is intended as a temporary response to the current housing market slump, and as such, will expire on June 30, 2010.

## Program Highlights:

- Available to all new construction, including residential, retail, office and industrial
- Payment due at the earlier of final inspection, issuance of temporary or final certificate of occupancy, or one-year from the date the application is approved
- Deferred fees shall be paid at the rates applicable at the time of building permit issuance
- Deferrals apply to City controlled fees only

**Eligible Development Impact fees:**

Fees within the City's control may be deferred. Deferral of fees that are collected by the City and passed through directly to the City's regional partners will require agreement between the City and the other agency.

The following is a list of fees eligible for deferral:

- A portion of Community Facilities Fees (excludes portions funding current cost obligations)
- Park Renovation Fee
- Transportation Development Impact Fees
- Very Low Income Housing Trust Fund (VLIHTF) – (available to non-residential projects)
- Certain Specific Plan Area fees, including:
    - Capital Village fees for park renovation and transportation impact
    - Sunridge Douglas fees for interim sewer, roadway construction, library and transit shuttle program
    - Villages of Zinfandel fees for library construction, park renovation and roadway construction

The City will determine, at its discretion, and subject to approval by the City Manager, the amount of the fees that can be deferred. The City will be reviewing anticipated cash outlays and/or contracts related to specific development impact fees considered for deferment to determine which fees can be deferred at any point in time.

**Non-Eligible fees:**

- Application Processing Fee – (covers city staff time processing applications)
- Building Permit Fees
- Capital Village Park Development Fee
- Community Facilities Fee – (City Hall, Community Center, Police, and Administrative portion)
- General Plan Cost Recovery Fee
- Plan Review Fee
- Processing Fees
- Sunrise Douglas Plan Fees – (Park and Administrative Fee portion)
- Supplemental Park Fee
- Transportation Impact Administrative Fee
- Very Low Income Housing Trust Fund Administrative Fee
- Villages of Zinfandel Administrative Fee
- Zone Check Fee

**Sunset for Fee Deferral Program:**

The Fee Deferral Program is intended as a temporary response to the current housing market slump and will expire on June 30, 2010.

## Non-Residential Project Criteria

To be eligible for the deferral program, a project must meet at least one of the following criteria:

- Creates at least 25 full-time jobs
- Increases annual tax revenue by at least $5,000
- Project located in Redevelopment Project Area
- Project is determined to be a "Catalyst Project" that will further economic development goals and objectives

## Project Qualifications

To participate in the deferral program, all outstanding City invoices, fees and taxes must have been paid in full.

Property owners are encouraged to utilize the Statewide Communities Infrastructure Program (SCIP) to finance their impact fees whenever possible. More information on the SCIP can be found at City Hall or on the City's website, at www.cityofranchocordova.org.

## Fee Deferral Time Limits:

- **Non-residential** projects - fees may be deferred until the earlier of final inspection, issuance of temporary or final certificate of occupancy, or twelve months from the date the fee deferral is approved.

- **Residential** projects - Fees may be deferred to the earlier of final inspection, or twelve months from the date the fee deferral is approved.

## Processing Fee

The Fee Deferral Program is expected to result in costs to the City to implement and service the program. The fee for processing the deferral applications shall be $250 per application.

## Pulling the Building Permit

Prior to the anticipated date of pulling the building permit, applicants should submit a fee deferral application to the Building Department staff. The Finance Director and Economic Development Director will then review the application and seek final approval from the Assistant City Manager. Building permits will be issued following approval of the application.

## Payment of Fees

Fees deferred are due and payable at the earlier of final inspection, issuance of temporary or final certificate of occupancy, or twelve months from the date the fee deferral is approved.

## How Do I Apply?

Applications may be obtained by contacting the City's Office of Economic Development at (916) 851-8783, or the Building and Safety Department at (916) 851-8760.

Completed applications should be submitted to:

- Building Department Permit Counter

Upon approval, the City will contact each applicant to inform them they may pull permits at the Building Department Permit Counter.

**MEMORANDUM**

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Reed Flory, Housing Services Administrator

**SUBJECT:** **DRAFT 2009-10 COMMUNITY DEVELOPMENT BLOCK GRANT ACTION PLAN**

## RECOMMENDATION

That Council:

A. Review the draft 2009-10 Community Development Block Grant (CDBG) Action Plan, including recommendations on funding allocations; and

B. Authorize the release of the Action Plan for public review and comment.

## SUMMARY

Each year, the City receives an entitlement allocation of CDBG funding from the US Department of Housing and Urban Development (HUD). For FY 2009-10, the City's allocation is anticipated to be $682,662. Final allocations should be released by HUD in early April. In addition to the CDBG funds, this also will allocate $38,133 in program income and $31,038 in prior-year funds from project that did not move forward. The City also anticipates receiving $185,416 in CDBG-R funds, made available recently as a part of the economic stimulus. HUD has yet to define the permitted use of these funds, but the emphasis is expected to be on "shovel-ready" projects.

### CDBG Program

The federal objective of the CDBG program is to develop viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for low- and moderate-income persons (below 80 percent of area median income). At least 70 percent of the City's CDBG funds must be used for activities that benefit low- and moderate-income persons.

All activities must meet one of the following national objectives for the program: 1) benefit low- and moderate-income persons, 2) prevent or eliminate slums or blight, or 3) meet a community development need having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community.

CDBG funds may be used for a variety of community development activities, including acquisition of real property, rehabilitation of residential and non-residential structures, construction of public facilities and improvements, public services, and economic development and job creation/retention activities.

### Action Plan

In order to receive CDBG funds, the City is required to prepare an annual budget plan, called the Action Plan. The Action Plan **(Attachment 2)** is the implementing document for the Consolidated Plan, a five-year plan for the City's housing, community development, economic development, infrastructure, and community services goals. The Action Plan identifies the projects to be funded and goals to be accomplished during the CDBG fiscal year.

The 2009-10 program year marks the fourth year that the City of Rancho Cordova will receive its CDBG funding as a formula allocation directly from HUD. In the past program years, the City has funded a variety of projects that provided services to low- and moderate-income households. These projects included housing repair, homeless prevention services, fair housing services, youth programs, meal programs for seniors, and public facility improvements.

The City's 2009-10 Action Plan also amends the 2008-09 Action Plan to include CDBG funding provided by the recent federal economic stimulus.

## ANALYSIS

The City anticipates allocating approximately $751,833 in CDBG funds for the 2009-2010 program year and $185,416 in CDBG-R funds specifically designated for "shovel-ready" projects. The 2009-10 Action Plan will outline the intended uses of these CDBG resources during that fiscal year.

### Funding Process

In January 2009, the CDBG application package was released for all eligible CDBG activities. The application package was advertised in the *Grapevine Independent*, posted on the City's website, and sent to several local and regional non-profit organizations. Applications were due on February 27, 2009. On February 10, 2009, the City held a public meeting to solicit input from local residents and service providers on the 2009-10 Action Plan. Training and technical assistance to potential applicants was also provided.

### Funding Requests

The City received proposals from non-profit organizations and City departments for a variety of activities. Project recommendations are for those projects determined most likely to be successful and maintain compliance with CDBG regulations while producing the greatest benefit to the City.

*Public Services*

Federal regulations allow the City to spend no more than 15 percent of its total CDBG allocation plus 15 percent of program income on public services activities. Therefore, the anticipated allocation is $108,119. The City received public services requests totaling $236,521. The requests came from both new and previously-funded CDBG grant applicants and the proposed projects address a wide variety of needs of low- and moderate-income residents of Rancho Cordova. Application descriptions and funding requests are summarized in **(Attachment 1)**.

Consideration was given to a variety of thresholds that projects must meet to comply with CDBG objectives. The national objective that was cited in all applications was "benefit low- and moderate-income persons." The community priorities for public services, as set out in the Action Plan, include youth services, senior services, and crime prevention.

HUD has not released final allocations for the 2009-10 year, nor have they released requirements for projects funded with the CDBG-R funds. Guidance on both issues is anticipated in early April. It is possible some additional funding will be available for public services, in which case the Council will be presented with the option of increasing these awards.

*Code Enforcement and Rental Housing Inspection*

The CDBG program allows for funding code enforcement activities in deteriorating areas where the where the result of the efforts (along with other public and private investments) will be to arrest decline in the area. Staff recommends CDBG code enforcement funding of $86,000, which will provide one full-time staff member devoted to proactive code enforcement in the CDBG target areas. Staff also recommends funding the Rental Housing Inspection Program at the level of $80,502, providing the equivalent of one full-time staff to inspect each of the rental units in the target area on an annual basis.

*Clearance*

Clearance is an allowable CDBG activity when the cleared property will be used for a CDBG-eligible activity, such as affordable housing, neighborhood center, or park serving a low-income area. Staff anticipates receiving Neighborhood Stabilization Program funding, which will be used in support of affordable housing, and recommend leveraging those funds by using $100,000 in CDBG to demolish dilapidated structures in order to make way for affordable housing.

*Public Facilities*

The City received one public facilities application for 2009-10 funding. The Cordova Recreation and Park District (CRPD) requested $20,000 to upgrade the Senior Center's kitchen and improve facility security and safety, including the installation of security doors and parking lot lighting. Staff recommends allocating the full amount of the request to CRPD.

*Housing*

One of the primary goals of the CDBG program is to improve the quality of the housing stock for low-income households. In previous years, the City has devoted a portion of funding to the Emergency Repair Program, which offers up to $7,500 to low-income households in order to make necessary health and safety repairs.

In an attempt to address significant housing rehabilitation needs throughout the City, staff recommends that the balance of funding available after public services, public facilities, code enforcement, and administration allocations be devoted to a housing rehabilitation program. Through offering low-interest loans to low-income homeowners, the program will take advantage of lower bids for home improvements projects and help to retain construction jobs. The amount of funding recommended for the program is $406,096.

*Administration*

Up to 20 percent of the annual CDBG allocation can be used for costs of administering the grant. This includes fair housing services, which are required to meet the goal of affirmatively furthering fair housing. Staff recommends setting aside $121,532 for program staffing, and $15,000 for the Center for Human Rights, Law, and Advocacy, which provides the City's fair housing services.

## ATTACHMENTS

1. 2009-10 CDBG Applications Received and Recommended Funding

2. Draft 2009-10 CDBG Action Plan

# 2009-10 CDBG Applications Received and Recommended Funding

| Project Organization | Project Description | Activity Type | Fund Request | Rec. Funding | Comments |
|---|---|---|---|---|---|
| **Senior Meals (Meals on Wheels)** Department of Human Assistance | Provide nutritious hot meals to homebound seniors and seniors dining at the Cordova Senior Center. | Public Service | $49,220 | $49,220 | Provide meals daily to homebound seniors, three days per week at the Senior Center. Rec. funding allows four meals per week at Senior Center. |
| **Respite CLUB** Cordova Neighborhood Church | Provides affordable, senior respite day care services to seniors with severe memory loss. | Public Service | $9,416 | $0 | Last funded in 2007-08. Slight increase in service predicted. |
| **Cordova Activities for Kids (CAKe)** Folsom Cordova Community Partnership | Offer an after-school and summer activities program for children. | Public Service | $41,500 | $30,000 | Funding recommended is minimum amount they felt was needed to continue to operate and expand program. |
| **Housing Counseling** Sacramento Self-Help Housing, Inc. | Provide housing services to residents of Rancho Cordova who are in danger of homelessness, or who are already homeless, to aid them in securing stable housing. | Public Service | $7,594 | $7,000 | Addresses a need for homeless services, as required by HUD. |
| **Youth Crime Prevention** Police Activities League | Provide educational, athletic, and recreational activities to foster trust between youth and police officers, while offering enrichment and leadership opportunities to youth. | Public Service | $58,000 | $5,000 | New activity; may be able to be fund one new program aspect if additional funding received. |
| **Fair Housing Counseling** Center for Human Rights, Law, and Advocacy | Offer a range of fair housing services, including a telephone hotline, landlord/tenant information, discrimination complaint investigation, and education and outreach. | Public Service OR Admin | $44,000 | $0 | Service can also be provided out of the admin budget (recommended in the amount of $15,000). Additional funding may be considered if received. |
| **Domestic Violence Counseling Program** WEAVE, Inc. | Provide local counseling services to residents of Rancho Cordova who have suffered from domestic violence. Counseling includes a lethality assessment to identify those most in need of services. | Public Service | $26,791 | $16,899 | WEAVE has seen a significant increase in need for services in Rancho Cordova over the prior year. |
| **TOTAL FUNDING** | | | **$236,521** | **$108,119** | |

ATTACHMENT 1

# DRAFT 2009-10 ACTION PLAN

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# DRAFT 2009-10 ACTION PLAN

## EXECUTIVE SUMMARY

The 2009-10 Action Plan is a one-year plan to address the community development and low- and moderate-income housing needs in the City of Rancho Cordova. It is the fourth Action Plan in the implementation of the five-year Consolidated Plan. Both the Consolidated Plan and the Action Plan are implemented by the City housing staff.

The City anticipates receiving $682,662 from the federal Community Development Block Grant (CDBG) program, and will be reallocating $31,038 of unspent funds from previous program years. The City will also allocate $38,133 in program income and $185,416 in CDBG-R funds received through the recent federal economic stimulus. The City also plans to meet its community development and housing needs using a variety of other funding sources, including the City's Very Low Income Housing Trust Fund, the Neighborhood Stabilization Program, and redevelopment funding.

City staff encouraged citizen participation throughout the Action Plan process. This included consulting local organizations, holding public meetings, and encouraging public comment during the public review period. Using research and input from the public, City staff formulated the objectives and outcomes that are briefly described below.

### OBJECTIVES

The City's key objectives for the 2009-10 funding period include the following:

- Provide housing programs that preserve the quality and affordability of ownership housing stock for target-income households;
- Arrest decline in deteriorated areas of the City by requiring rental property owners to fix code violations and improve their properties, by increasing code enforcement efforts;
- Assist community-based organizations with additional financing that allows them to provide new or expanded services to target low-income residents, especially seniors and youth; and
- Improve public facilities in target areas.

## OUTCOMES

The City's housing outcomes for this planning period are primarily directed at improving affordability and accessibility of housing for target-income residents. Nine homes will be rehabilitated, and approximately 1,300 units will be inspected for code violations.

The City will fund five public services programs, which are expected to benefit approximately 1,000 residents:

- Senior Nutrition Services (Meals on Wheels), which provides hot meals in the local senior center as well as to homebound seniors;
- Cordova Activities for Kids Program, which offers recreational and pro-social activities to youth ;
- WEAVE, which offers assistance to victims of domestic violence;
- Sacramento Self-Help Housing, which provides services to homeless and near-homeless persons; and
- Police Activities League, which provides educational, athletic, and recreational activities to foster trust between youth and police officers, while offering enrichment and leadership opportunities to youth.

# INTRODUCTION

The U.S. Department of Housing and Urban Development (HUD) requires all government entities receiving federal Community Development Block Grant (CDBG) funds to prepare an Annual Action Plan. The Action Plan outlines funding priorities and discusses how activities will meet the community needs identified in the Consolidated Plan. The activities described in this Action Plan are proposed to be undertaken during the period between July 1, 2009 and June 30, 2010.

The major objectives of activities undertaken during the 2009-2010 funding year will be to:

- Provide housing programs that preserve the quality and affordability of ownership housing stock for target-income households;
- Arrest decline in deteriorated areas of the City by requiring rental property owners to fix code violations and improve their properties, by increasing code enforcement efforts;

- Assist community-based organizations with additional financing that allows them to provide new or expanded services to target-income residents; and

- Improve public facilities in target areas.

## RESOURCES

The City of Rancho Cordova will receive $682,662 in 2009-10 through the CDBG program, and will reallocate $31,038 in unspent prior program year funds. The City will also allocate $38,133 in program income received during 2007-08, and $185,416 CDBG-R recently received for CDBG-eligible "shovel-ready" projects. In order to address the community's needs and the goals identified in the Strategic Plan, the City will also consider augmenting CDBG funds using a variety of additional funding sources. These funding sources may include the Very Low-Income Housing Trust Fund, redevelopment funding (including housing set-aside), the California Department of Housing and Community Development, other state and federal agencies, and local sources. CDBG program income is also an additional resource.

While some residents in the City may live in Section 8 properties or use Housing Choice Vouchers (formerly Section 8), these programs are managed by the local public housing authority, Sacramento Housing and Redevelopment Agency. The City supports private developers in their applications for low-income housing tax credits, when possible, but does not construct affordable housing.

# ACTIVITIES TO BE UNDERTAKEN

Table 1 provides a description of the activities to be undertaken during fiscal year 2009-10 one-year objective (output) and the amount of CDBG funding allocated to each activity are identified. All activities are anticipated to be completed during the fiscal year. More detailed descriptions of activities follow the table.

The City chose to emphasize neighborhood improvement and public services activities with their CDBG funding, because there are relatively few other sources of funding available to finance these activities. Within public services, the City gave a high priority to activities serving seniors and youth, as well as activities which result in neighborhood revitalization.

## TABLE 1
## PROPOSED CDBG ACTIVITIES AND PROJECTS: FISCAL YEAR 2009-10

| Goal | Activity Name | Activity Description | Output | Funding |
|---|---|---|---|---|
| **Housing** | | | | |
| HS-1 | Housing Rehabilitation Program | Provide low-interest loans to low-income homeowners to rehabilitate their homes. | 9 homes rehabilitated. | $406,096 |
| HS-1, HS-2 | Rental Housing Inspection Program | Inspect rental units in the redevelopment area to find and correct code violations. | 700 homes inspected. | $80,502 |
| HS-1, HS-2 | Code Enforcement | Provide code enforcement services in the redevelopment area. | 700 homes inspected. | $86,000 |
| **Public Facilities** | | | | |
| CD-4 | CRPD Senior Center Improvements | Provide funding for safety and lighting improvements to the Senior Center. | 1 public facilities project to be completed. | $20,000 |
| **Public Services** | | | | |
| CD-2, CD-3 | Cordova Activities for Kids Program (CAKe) | Provide recreational and pro-social activities to youth after school and in the summer. | 250 youth served. | $30,000 |
| CD-1, CD-3 | Senior Nutrition Program (Meals on Wheels) | Provide homebound seniors with hot meals and provide lunch to seniors at the Cordova Senior Center. | 290 seniors provided meals. | $49,220 |
| HA-1, CD-3 | Sacramento Self-Help Housing | Provide housing services to residents of Rancho Cordova who are in danger of **homelessness, or who are already** homeless, to aid them in securing stable housing. | 75 persons provided counseling. | $7,000 |
| CD-3 | WEAVE | Provide assistance to victims of domestic violence, including individual and group counseling. | 141 people provided counseling. | $16,899 |
| CD-3 | Police Activities League | **Provide educational, athletic, and** recreational activities to foster trust between youth and police officers, while offering enrichment and leadership opportunities to youth. | 20 youth served. | $5,000 |
| **Planning and Administration** | | | | |
| HS-1, HS-2 | Human Rights/Fair Housing Commission | Provide fair housing assistance and education. | 160 households served. | $15,000 |

| Goal | Activity Name | Activity Description | Output | Funding |
|---|---|---|---|---|
| PA-1 | Planning and Administration | Provide general administration of the CDBG program, including all planning and reporting activities | 1 year of program administration. | $121,532 |

## HOUSING ACTIVITIES

### Housing Rehabilitation Program

The housing rehabilitation program is intended to provide low-interest loans to low-income homeowners to make necessary health and safety repairs to owner-occupied units. The program is a way to preserve the habitability of the housing stock and will help to retain construction jobs.

2009-10 Output: 9 homes rehabilitated

Outcome Category: Affordability for the purpose of providing decent affordable housing

Goals Addressed: HS-1

Funding: $406,096 ($357,364 for repair and $48,732 for implementation)

### Rental Housing Inspection Program

The rental housing inspection program will fund salary and benefits for a 0.75 FTE code enforcement officer whose duties will include inspecting rental units within the redevelopment area. The City has many rental units which are likely out of compliance with applicable codes, and this program, in coordination with public and private investment, will arrest the decline of the area by forcing rental property owners to improve their properties to a minimum standard.

2009-10 Output: 700 rental units inspected

Outcome Category: Accessibility for the purpose of providing a suitable living environment

Goals Addressed: HS-1, HS-2

Funding: $80,502

### Code Enforcement

The code enforcement program will fund salary and benefits for a 0.75 FTE code enforcement officer whose responsibilities will include responding to code enforcement complaints and proactively enforcing code.

| | |
|---|---|
| 2009-10 Output: | 700 units inspected |
| Outcome Category: | Accessibility for the purpose of providing a suitable living environment |
| Goals Addressed: | HS-1, HS-2 |
| Funding: | $86,000 |

## PUBLIC FACILITIES

### The Cordova Recreation and Park District

**The Cordova Recreation and Park District (CRPD) will upgrade the Senior Center's kitchen** and will install security doors and parking lot lighting to improve facility security and safety.

| | |
|---|---|
| 2009-10 Output: | 1 public facilities project completed |
| Outcome Category: | Accessibility for the purpose of providing a suitable living environment |
| Goals Addressed: | CD-4 |
| Funding: | $20,000 |

## PUBLIC SERVICES

### Cordova Activities for Kids Program

Cordova Activities for Kids Program engages children in a variety of recreational and pro-social activities after-school and during the summer. Currently partially funded by other grants, CDBG funding will allow the program to fund its coordinator position.

| | |
|---|---|
| 2009-10 Output: | 250 youth served |
| Outcome Category: | Accessibility for the purpose of creating suitable living environments |
| Goals Addressed: | CD-2, CD-3 |
| Funding: | $30,000 |

### Senior Nutrition Services (Meals on Wheels)

The Senior Nutrition Services program has two components: providing five hot meals per week to homebound seniors and providing lunches to seniors at the Cordova Senior Center. The program provides regular contact for homebound seniors. Funding will help pay for the personnel who prepare and deliver the meals.

| | |
|---|---|
| 2009-10 Output: | 290 seniors provided with meals |
| Outcome Category: | Accessibility for the purpose of creating suitable living environments |
| Goals Addressed: | CD-1, CD-3 |
| Funding: | $49,220 |

### Sacramento Self-Help Housing

Sacramento Self-Help Housing provides counseling and housing referrals to homeless and near-homeless individuals and households. With funding, the organization plans to continue operating in the City's primary low-income service center, the Rancho Cordova Neighborhood Center.

| | |
|---|---|
| 2009-10 Output: | 75 households provided counseling |
| Outcome Category: | Accessibility for the purpose of creating suitable living environments |
| Goals Addressed: | HA-1, CD-3 |
| Funding: | $7,000 |

### WEAVE

WEAVE is a domestic violence counseling program. They will extend their existing program to provide counseling services, including individual and group counseling, to residents of Rancho Cordova who have suffered from domestic violence.

| | |
|---|---|
| 2009-10 Output: | 141 people provided counseling |
| Outcome Category: | Accessibility for the purpose of creating suitable living environments |
| Goals Addressed: | CD-3 |
| Funding: | $16,899 |

### Police Activities League

The Police Activities League will provide a youth crime prevention program which will provide educational, athletic, and recreational activities to foster trust between youth and police officers, while offering enrichment and leadership opportunities to youth.

| | |
|---|---|
| 2009-10 Output: | 20 youth provided crime prevention activities |
| Outcome Category: | Accessibility for the purpose of creating suitable living environments |
| Goals Addressed: | CD-3 |
| Funding: | $5,000 |

## PLANNING AND ADMINISTRATION ACTIVITIES

### Human Rights / Fair Housing Commission

The Human Rights/Fair Housing Commission provides fair housing services such as housing discrimination and tenant and landlord laws, complain investigation, outreach and education through public forums, distribution of fair housing brochures, and newspaper articles.

| | |
|---|---|
| 2009-10 Output: | 160 households assisted |
| Outcome Category: | Accessibility for the purpose of creating suitable living environments |
| Goals Addressed: | HS-1, HS-2 |
| Funding: | $15,000 |

### Planning and Administration

The planning and administration funding is intended to provide funding for general staff administration of CDBG programs and activities, including Integrated Disbursement and Information System (IDIS) training, program set-up, reporting, planning, and subrecipient training and monitoring.

| | |
|---|---|
| 2009-10 Output: | Quality administration of the CDBG program |
| Goals Addressed: | PA-1 |
| Funding: | $121,532 |

## GEOGRAPHIC DISTRIBUTION

Geographic distribution of activities is widely varied, but most take place in or near a low- and moderate-income area. The location of an activity largely depends on the type of activity **and many of the City's** 2009-10 activities, such as home repair and Meals on Wheels, are able to take place across the entire City. Figure 1 (in progress) shows the location of the activities proposed to be funded in program year 2009-10. Not all of the activities funded through the CDBG program are shown in Figure 1 because some are community-wide, while the exact locations of others (e.g., housing rehabilitation) have yet to be determined. Figure 2 (in progress) displays the location of activities in relation to low-income areas.

The rental housing inspection program and code enforcement activities funded by CDBG **will take place in the City's designated** target areas. The investment of other public and private funds in these areas will provide a comprehensive approach to revitalization.

## MINORITY DISTRIBUTION

The City of Rancho Cordova strives to make all of its programs and activities available to eligible low- and moderate-income residents regardless of sex, race, religious background, or disability. As a result, many programs, including emergency repair, senior services, and youth services, will be available to residents citywide. Programs with a specific location, such as White Rock Park, are located in areas with varying levels of minority concentration with an emphasis on higher concentration areas. Table 1 details the projects in the City; of these, the majority are available on a citywide basis. Projects that do have a specific, pre-determined geographic location are often located in or near areas of minority concentration, as seen in Figure 3 (in progress).

## HOMELESS AND OTHER SPECIAL NEEDS POPULATIONS

The City's strategy related to the needs of the homeless, those at risk of homelessness, and other special needs populations involves funding a variety of supportive services offered locally or regionally to Rancho Cordova residents. Currently, Rancho Cordova is home to the Mather Community Campus, a major supportive housing facility for homeless individuals, but other resources have limited capacity. As a part of the City's plan to encourage a system of supportive services located in the City to allow for accessibility for residents, the City is funding several programs and services to assist its homeless and special needs populations. In 2009-10, these include:

- Homeless and family assistance to locate temporary or permanent housing, provided by Sacramento Self-Help Housing;
- Services for victims of domestic violence, provided by WEAVE;
- Accessibility improvements, provided mainly under the Emergency Repair Loan Program;
- Senior services, provided by the Meals on Wheels;
- Youth services, provided by Cordova Activities for Kids and PAL.

In addition, the City's Housing Element includes several programs that provide for the development of affordable housing. The Element also removes potential constraints to housing for persons with disabilities.

## ADDRESS OBSTACLES TO MEETING UNDERSERVED NEEDS

While there are several constraints to meeting the needs of target-income residents, the primary obstacle is the lack of available services within the City's boundaries. Many services are located in the City of Sacramento; additionally, those services located locally often do not have sufficient capacity to meet needs.

The City plans to use its CDBG funds to promote the local provision of services for low- and moderate-income residents in Rancho Cordova. Furthermore, the City will also encourage area service providers to offer services in the community. In the 2009-10 program year, several organizations (including Sacramento Self-Help Housing and WEAVE) are expected to provide services within Rancho Cordova.

## FOSTER AND MAINTAIN AFFORDABLE HOUSING

The City's draft 2008-2013 Housing Element includes a number of important programs to facilitate the development of affordable housing in Rancho Cordova. Some of these programs include:

- Developers of new residential projects within the newly developing areas of the City (generally in the large, vacant areas south of Highway 50) shall prepare an Affordable Housing Plan (Plan) for the project for City review and approval that identifies the project's plan for providing affordable housing. (Policy H.1.5)

- Provide neighborhood revitalization in existing areas through housing rehabilitation (owner- and renter-occupied units) and infill reuse/conversion. (Policy H.2.2)

- Continue to identify the most troubled multi-family projects (in terms of law enforcement, code enforcement, and blight conditions) and aggressively pursue the transformation or conversion of such properties into uses that move the community into a more balanced housing market and that will not result in the loss of existing affordable housing units subsidized with federal, state, or local funds. (Action H.2.2.4)

- Pursue potential reuse and conversion opportunities for additional housing along Folsom Boulevard. (Policy H.2.5)

- Provide a range of senior housing opportunities, including senior developments with single-story homes, independent living, assisted living, skilled nursing, and shared housing, and pursue opportunities and funding to convert existing apartment complexes to senior housing facilities. (Policy H.4.2)

- Provide housing for the special needs populations, including housing accessible for persons with disabilities (including veterans as a primary target group), large households, the homeless, and single-parent households. (Policy H.4.4)

- Pursue available and appropriate state and federal funding sources to support efforts to meet new construction needs of very low-, low-, and moderate-income households. (Action H.7.2.1)

Additional measures are identified and explained in detail in the City's Housing Element.

## Remove Barriers to Affordable Housing

The City is undertaking a number of actions to reduce potential barriers and constraints to affordable housing as well as housing for special needs populations. These include creating funds in support of affordable housing development, as well as offering fee reductions, regulatory incentives, density incentives, and several other options. These are described in more detail in the City's draft 2008-2013 Housing Element.

## Develop Institutional Structure

The planned Housing and Neighborhood Services Division, within the Economic Development Department, will be responsible for the management, implementation, and monitoring of the Consolidated Plan documents, including the Action Plan.

The City will designate staff positions to administer the programs and activities funded with CDBG funds. These staff members will work with the individual City divisions, such as Public Works and Parks, to develop procedures and coordinate the administration of programs that will be carried out by these divisions. Designated staff will also work closely with the providers of CDBG-funded services and programs that are not carried out by the City.

## Enhance Coordination

The City will continue its work with neighboring jurisdictions such as the County and the City of Sacramento, including Sacramento Housing and Redevelopment Agency, to address the regional issues that affect the needs of target-income persons as well as special needs populations. The City will also work with service providers and local, state, and federal agencies (e.g., HUD).

## Public Housing Needs

There are ten apartment complexes that include some of the 747 affordable housing units in Rancho Cordova. Some of these units are administered by Sacramento Housing and Redevelopment Agency (SHRA), which serves as the public housing authority for Sacramento County. The City of Rancho Cordova does not have its own local housing authority. Resident initiatives are handled directly by SHRA.

## Anti-Poverty Strategy

The City's anti-poverty strategy is based on revitalizing the City's existing housing stock to provide safe and decent places to live, and supporting social services agencies that provide various services that promote income and housing stability. In addition, the City's strategy is

to provide supportive services for target-income residents, including senior and youth services.

In the 2009-10 program year, the City plans the following anti-poverty programs:

- Senior nutrition program, also known as Meals on Wheels;
- Housing crisis intervention services, provided by Sacramento Self-Help Housing;
- Homeless services, provided by Sacramento Self-Help Housing and other organizations; and
- Housing loans for housing rehabilitation to owner-occupied units.

## Lead-Based Paint Hazards

The City will provide lead-abatement assistance for residential units through its Emergency Repair Loan Program. The program will comply with the Residential Lead Based Paint Hazard Reduction Act of 1992 (Title X) and subsequent changes in September 1999. The procedures regarding lead-based paint will include the following:

- Notification;
- Identification; and
- Treatment (if necessary).

## Monitoring Plan

The City of Rancho Cordova has developed a monitoring system to ensure that the activities carried out in furtherance of the Plan are done so in a timely manner in accordance with the federal monitoring requirements of 24 CFR 570.501(V) and 24 CFR 85.40 and all other applicable laws, regulations, policies, and sound management and accounting practices. The objectives of the monitoring plan are described in more detail in the Consolidated Plan.

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Adam U. Lindgren, City Attorney
Jose M. Sanchez, Deputy City Attorney
Ruben Meeks, Chief of Police

**SUBJECT:** **AN ORDINANCE AMENDING TITLE 4, BUSINESS REGULATIONS, BY ADDING CHAPTER 4.33, "MASSAGE ESTABLISHMENTS AND MASSAGE TECHNICIANS," ESTABLISHING LAWS AND REGULATIONS PERTAINING TO MASSAGE ESTABLISHMENTS AND MAKING MINOR CONSISTENCY AMENDMENTS TO THE MUNICIPAL CODE**

## RECOMMENDATION

Waive first reading and introduce Ordinance No. 9-2009.

## RESULT OF RECOMMENDED ACTION

Adoption of this ordinance will establish updated regulations on massage establishments and massage technicians in order to reflect changes in State law and to better protect the City residents against illegal massage practices.

## BACKGROUND

The City recognizes the health benefits of massage performed by qualified massage technicians. Consistent with the documented health benefits of massage, the City desires to update its massage regulations in conformance with State law and to prevent illegal massage practices from occurring.

On June 18, 2007, the City adopted an urgency ordinance (16-2007) imposing a forty-five (45) day moratorium on the establishment, expansion or relocation of new and existing massage establishments. Consistent with State law, the City adopted Urgency Ordinance No. 20-2007 on July 16, 2007 and Urgency Ordinance No. 15-2008 on May 19, 2008 extending the moratorium on the establishment, expansion, or relocation of new existing massage establishments. The moratorium will end on May 19, 2009.

During the moratorium, Staff analyzed the City's Zoning Code and Municipal Code provisions regulating massage establishments and massage technicians, and determined that those provisions needed to be updated in order to reflect changes in State law and to better protect City residents and visitors against illegal massage practices.

In addition, since adoption of the moratorium on massage establishments, new State laws have been enacted related to massage. In the fall of 2008, Governor Schwarzenegger signed Senate Bill 731 which provides for voluntary statewide certification of massage therapists and massage practitioners by the Massage Therapy Organization ("MTO"), a new nonprofit organization. This legislation, which takes effect September 1, 2009, grants the MTO the authority to issue massage therapy certificates to qualified applicants. Certificate holders may practice massage therapy throughout the State without having to obtain a massage technician permit from the city or county where the massage technician wishes to practice.

This legislation does not preempt the City from adopting regulations related to health and sanitation of massage establishments, including regulations related to the cleanliness of massage rooms, towels and linens, and reasonable attire and personal hygiene requirements for persons providing massage services.

***Existing Law***

The City's current regulations related to massage establishments and massage technicians are a part of the "Adult-Related Establishments" Chapter of the Municipal Code. Currently, the City issues massage technician permits to individuals who have either graduated from a recognized school of massage, or have completed at least one hundred (100) hours of instruction at a recognized massage school. The City also requires massage establishments to conduct massages in a sanitary environment with clean towels and clean rooms, and requires massage technicians to wear clothing that is clean and sanitary.

***New City Ordinance***

The proposed ordinance removes references to massage establishments and massage therapists within Chapter 4.34 of the City's Municipal Code, and adds Chapter 4.33 "Massage Establishments and Massage Technicians." As a result of adding this new Chapter, amendments to provisions in the adult-related establishment ordinance are necessary to delete references to massage, massage establishments and massage technicians.

Consistent with recently enacted State law, this ordinance will exempt massage technicians with a State-issued certificate from the requirement to obtain a massage technician permit from the City. The State certificated massage therapists will be required to provide a copy of their State-issued certificate to the City, so that the City is aware they are practicing within the City.

The ordinance also requires all applicants for massage technician permits to provide proof that he/she has a certificate of graduation from a recognized school of massage and that he/she has completed not less than two-hundred (200) hours as part of that program. Applicants for a massage technician permit must provide two identical passport photographs as part of his/her application for a massage technician permit so that the City may place the photograph on the massage technician permit. Including the photograph will ensure that members of the public will be able to identify that his/her massage technician is practicing under a valid permit from the City, as the City will now require that all massage technician permits be displayed at the business where the technician works.

The ordinance also clarifies the clothing requirement of massage technicians, by identifying that massage technicians must be fully clothed from a point of not more than four inches above the center of the kneecap to the base of the neck, excluding the arms.

The regulations related to massage establishments now include: a prohibition against maintaining or serving alcohol on the premises of the massage establishment; a prohibition against warning devices that may be used to alert illegal massage practitioners to the presence of police; and a prohibition against locked doors on areas where massage is conducted. These additional regulations are intended to ensure that only legitimate activities occur on the premises of the massage establishments, and to protect the safety of the patrons of the massage establishment.

The attached ordinance clarifies the application process of massage technicians and establishes the exemptions required by State law. This ordinance will assist the City in ensuring that only legal massage practices occur in the City. Similar to all violations of the City code, the City will have the discretion to implement administrative or criminal sanctions for violations of this ordinance.

## ATTACHMENT

Ordinance No. 9-2009 Amending the City's Municipal Code by Adding Chapter 4.33 Related to Massage Establishments and Massage Technicians.

**CITY OF RANCHO CORDOVA**

**ORDINANCE NO. 9-2009**

**AN ORDINANCE OF THE CITY COUNCIL OF RANCHO CORDOVA AMENDING TITLE 4, BUSINESS REGULATIONS, OF THE RANCHO CORDOVA MUNICIPAL CODE BY ADDING CHAPTER 4.33, "MASSAGE ESTABLISHMENTS AND MASSAGE TECHNICIANS," ESTABLISHING LAWS AND REGULATIONS PERTAINING TO MASSAGE ESTABLISHMENTS AND MAKING MINOR CONSISTENCY AMENDMENTS**

**RECITALS**

**WHEREAS,** the City of Rancho Cordova ("City") was incorporated on July 1, 2003; and

**WHEREAS,** pursuant to Ordinance No. 20-2003 and Ordinance No. 21-2003, the City adopted by reference most of the County of Sacramento Municipal Code, including regulations pertaining to massage establishments; and

**WHEREAS,** the City recognizes the health benefits of massage performed by qualified massage technicians. Consistent with the documented health benefits of massage, the City desires to update its massage regulations; and

**WHEREAS,** the Rancho Cordova City Council wishes to update and revise the City's regulations pertaining to massage establishments in order to reflect changes in State law and to better serve the needs of the City; and

**WHEREAS**, on June 18, 2007, the City adopted Ordinance No. 16-2007 as an urgency ordinance imposing a forty-five (45) day moratorium on the establishment, expansion, or relocation of new and existing massage establishments; and

**WHEREAS**, on July 16, 2007, the City adopted Ordinance No. 20-2007, and on May 19, 2008 the City adopted Ordinance No. 15-2008 extending the moratorium on the establishment, expansion, or relocation of new and existing massage establishments; and

**WHEREAS**, during the moratorium, City staff analyzed the City's current code regulating massage establishments and massage technicians and determined that those provisions needed to be updated in order to reflect changes in State law and better serve and protect City residents against illegal massage practices; and

**WHEREAS,** this ordinance updates the City's massage regulations and removes such regulations from the City Municipal Code chapter related to adult-related establishments. This ordinance does not make any substantive changes to regulations related to adult-related establishments; and

**WHEREAS**, Senate Bill 731 related to Massage Therapy was signed by Governor Schwarzenegger on September 27, 2008, which establishes a voluntary State certification program for massage technicians. This ordinance incorporates those provisions of the State Legislation in order to comply with State law; and

**WHEREAS,** the proposed regulations ensure massage establishments are properly regulated as legitimate businesses, and incorporate those provisions consistent with the recently adopted State law for those massage technicians certified by the State.

**THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** Title 4 of the Rancho Cordova Municipal Code, is amended to include Chapter 4.33 "Massage Establishments and Massage Technicians," to read as follows:

**Article 1. General Provisions**

**4.33.005 Definitions.**

Unless the provisions or the content otherwise requires, the definitions set forth in this section govern the construction of this chapter.

A. "Massage" or "massage therapy" means any method of pressure or friction against, or stroking, kneading, rubbing, tapping, pounding, vibrating or stimulating of the external surfaces of the body with hands or with any object or appliance;

B. "Massage establishment" means an establishment whose primary business is the offering of massage in exchange for pecuniary compensation, consideration, hire or reward;

C. "Massage technician" or "Massage therapist" means any person who, for pecuniary compensation, consideration, hire or reward, engages in the practice of massage. Unless otherwise specified, massage technician shall include persons certified by the Massage Therapy Organization under Business and Professions Code section 4601(c) as massage therapists, and persons certified under Business and Professions Code section 4601(b) as massage practitioners.

D. "Massage technician permit" means a permit issued by the City of Rancho Cordova authorizing a person to engage in the business of massage therapy within the City. Massage technician permits are separate and distinct from general and special business licenses.

E. "Massage Therapy Organization" means the non-profit organization created pursuant to Business and Professions Code section 4600 *et seq.*, which has the authority to issue certificates to massage therapists and massage practitioners.

F. "Mobile massage service" means any business, not licensed as a massage establishment under the provisions of this chapter, wherein the primary function of such business is to engage in or carry on massage for pecuniary compensation, consideration, hire or reward not at a fixed location, but at a location designated by the customer or client;

G. "Recognized school of massage" means a school recognized by the State of California which: (1) teaches the theory, ethics, practice, profession and work of massage; and (2) requires a residence course of study to be given before the student is furnished with a diploma or certificate of learning or completion; and (3) meets the minimum standards for training and curriculum in massage and related subjects and that either was recognized by the Bureau for Private Post-secondary and Vocational Education pursuant to Section 94931 of the Education Code prior to July 1, 2007, or is recognized by the Department of Consumer Affairs by an

institution accredited by the senior commission or the junior commission of the Western Association of Schools and Colleges, by a college or university of the State higher education system as defined in Section 100850 of the Education Code, or by a school of equal or greater training that is approved by the corresponding agency in another state. A "recognized school of massage," as those terms are used above, shall not include a school or institution of learning offering or allowing correspondence course credit not requiring actual attendance at class.

H. "State issued certificate" means the certificate, or conditional certificate, issued by the State of California pursuant to California Business and Professions Code section 4600 *et seq.*

I. "Special business license" means the business license issued to the massage establishment pursuant to Chapter 4.10 of this title, authorizing the massage establishment to offer massage services on its premises.

**4.33.010. Exemptions.**

The provisions this chapter shall be applicable to, or include, the following:

A. Hospitals, nursing homes, sanitariums, or persons working in any such establishments;

B. Persons holding an unrevoked certificate to practice the healing arts under the laws of the State of California or persons working under the direction of any such persons;

C. Barbers or cosmetologists lawfully carrying out their particular occupation or business and holding a valid, unrevoked license or certificate of registration issued by the State of California; however, any massage therapist engaged in massage at such an establishment shall be required to obtain a massage therapist permit unless he/she has a State issued certificate;

D. Athletic clubs or fitness facilities, where such facility is designed and equipped for indoor sports, exercise, or physical education shall not be required to obtain a general business license and special business license for massage purposes; however, any massage therapist engaged in massage at such establishment shall be required to obtain a massage technician permit unless he/she has a State issued certificate;

E. Trainers of any amateur, semiprofessional or professional athlete or athletic team;

F. Physicians, surgeons, nurses, chiropractors, osteopaths, acupuncturists, naturopathic doctors and physical therapists who are duly licensed to practice their respective professions in the State, and massage therapists working under the direct supervision of such duly licensed physicians, surgeons, chiropractor, osteopaths, acupuncturists, naturopathic doctors and physical therapists;

G. Reflexologist performing reflexology; however, any reflexologist engaged in massage shall be required to obtain a massage therapist permit;

H. A recognized school of massage, as defined by Section 4.33.005(G) of this Chapter.

**4.33.015 Employment of Minors.**

It shall be unlawful for the operator, or any other person in charge of a massage establishment, to employ or retain any person who is under the age of eighteen (18) years to perform any service on the premises of the establishment.

**4.33.020 Schools of Massage.**

No massage establishment shall use the facilities or premises of such a recognized school of massage in connection with the operations of the massage establishment. Students in training at a recognized school of massage, as defined by Section 4.33.005(G) of this chapter, may perform massage on a member of the general public while on the premises of the school of massage in compliance with the following requirements:

A. The student performs the massage only under the direct personal supervision of an instructor certified by the California Department of Consumer Affairs Bureau for post-secondary and vocational education, a State-approved educational facility, an approved national massage organization or association, or similar organization; and

B. Massage is performed in compliance with this chapter.

**4.33.025 Application of this Chapter to Persons Engaged in Massage as of the Effective Date of this Chapter**

A. This Chapter shall apply to all persons engaged in massage prior to the effective date of this Chapter, to all persons employed as massage technicians prior to the effective date of this Chapter and all new applications for massage establishment special business licenses or massage technician permits.

B. All persons holding a valid and unexpired massage technician permit from the City at the time of adoption of Ordinance No. 9-2009:

1. Shall provide proof of compliance with the educational requirements and practitioner's liability requirement of this chapter when applying for renewal of his/her massage technician permit occurring on or after January 1, 2011;

2. All terms and conditions of this chapter, besides the educational requirement and practitioner's liability insurance requirement, apply to all massage technicians and establishments in the jurisdiction, regardless of his/her or the establishment's date of licensing.

C. Such persons holding a valid and unexpired massage technician permit must provide proof of compliance to the Finance Director as part of the application for renewal of his/her massage technician permit. Failure to do so shall make the continued operation of such business or continued employment of a massage technician unlawful, and a violation of this chapter.

**4.33.030 Minimum Qualifications – Massage Managers.**

Each massage establishment and mobile massage service shall be managed by a person who possess a valid, unrevoked massage technician permit or State issued certificate.

A massage establishment and service shall not be deemed managed as required by this section unless a person possessing the required massage technician permit or State issued certificate, having the authority and responsibility to supervise personnel employed or retained to perform services and to supervise the delivery of services, is on the premises of the establishment not less than 75 percent of the time the business is open for the delivery of services.

**4.33.035 Minimum Educational Requirements – Massage Technicians**

An applicant for a massage technician permit shall possess the following minimum educational qualifications: a diploma or certificate of graduation from a recognized school of massage evidencing that the person has completed not less than two hundred (200) hours of instruction at a recognized school of massage, as defined by Section 4.33.005(G) of this chapter. Transcripts or certificates of graduation from more than one recognized school of massage school, as defined by Section 4.33.005(G), may be combined to meet the educational requirements of this section.

**4.33.040 Employment of Massage Technicians.**

It shall be unlawful for any massage establishment and mobile massage service to employ or retain a person to provide services as a massage technician, and unlawful for any person to work at or for such an establishment or service, unless the person possesses a valid, unexpired and unrevoked massage technician permit issued pursuant to this chapter or has a valid and unexpired State issued certificate.

**Article II. Licenses and Permits**

**4.33.100 Massage Establishment – General and Special Business Licenses Required.**

A. It shall be unlawful for any person to operate, engage in, conduct or allow the operation of a massage establishment unless under, and by authority of, a valid, unexpired and unrevoked general business license issued pursuant to Chapter 4.06 of this title and special business license issued pursuant Chapter 4.10 of this title.

B. Pursuant to State law, massage establishments that only employ or use persons with State issued certificates shall also be required to obtain a general business license issued pursuant to Chapter 4.06 of this title and special business license pursuant to the provisions of Chapter 4.10 of this title.

C. An applicant for a special business license to operate a massage establishment that will only employ or use persons with State issued certificates shall provide copies of the State issued certificate for each person the establishment will employ or use to provide massage services. Copies of the certificate shall be provided to the Finance Director of the City. The holder of the special business license for the massage establishment shall have a continuous duty to provide copies of the State issued certificate for each new State certificate holder that the massage establishment employs or uses to provide massage services. The requirement to file copies of the State issued certificates shall not eliminate the requirement to maintain evidence on the premises of the massage establishment that the massage technicians employed by the establishment are certified by the State.

**4.33.105 Massage Technicians – Permit Required.**

It shall be unlawful for any person to act as a massage technician unless 1) under and by authority of a valid, unexpired and unrevoked massage technician permit, issued pursuant to this chapter; or 2) under and by authority of a valid, unexpired State issued certificate. Massage technicians that have received and hold a valid and unexpired State issued certificate shall not be required to obtain a City massage technician permit, provided the State issued certificate remains valid and current for the duration of their practice.

**4.33.110 Massage Technician Permit – Application Filing.**

Applications for a massage technician permit shall be filed in the office of the Finance Director. The Finance Director shall receive any fee required for the application, assure that the application is complete, and refer the application to the police department for processing, investigation, review and action.

**4.33.115 Massage Technician Permit – Contents of Application.**

An application for a massage technician permit shall be filed on a form and contain such information as required by the police department, including, at a minimum, the following:

A. The name and current residential address of the applicant;

B. The name and address of the business which has retained the services of the applicant for which the permit is required;

C. A list of each conviction of the applicant, plea of guilty, or plea of nolo contendere. The list shall, for each such conviction, set forth the date of arrest, the offense charged and the offense of which the applicant was convicted;

D. Proof of the age of the applicant;

E. The name and address of each recognized school of massage attended or provider of instructional services in massage which has been received, the name and address of the school or provider, the dates of attendance or receipt of instruction, and a copy of any certificate or diploma or other evidence of completion which the applicant has received; and

F. Two identical passport photos.

**4.33.120 Massage Technician – Investigation.**

The police department shall conduct such investigation of the background of the applicant for a massage technician permit as is necessary in order to determine whether the minimum qualifications which have been prescribed are satisfied and as otherwise deemed appropriate. Such investigation shall include the fingerprinting and photographing of the applicant. The applicant shall be responsible for paying any fees associated with the application processing or investigation.

**4.33.125 Massage Technician Permit – Issuance.**

A. Upon receipt of an application for a massage technician permit to act as a manager of a massage establishment or a massage technician, the Chief of Police shall conduct such investigation pursuant to Section 4.33.120 of this chapter as is deemed necessary and the application shall be processed in compliance with Section 4.10.090 of this title. The Chief of Police shall issue the permit unless he or she finds, pursuant to Section 4.10.090 of this title, any of the following:

1. That the application fails to contain information required by the Chief of Police or Section 4.33.115 of this chapter, or is otherwise incomplete;

2. That information contained in the application is false or otherwise inaccurate;

3. That the applicant has been convicted of a crime and the time for appeal has elapsed, or when an order granting probation is made suspending the imposition of sentence, irrespective of the entry of a subsequent order under Section 1203.4 of the California Penal Code; or has done any act involving dishonesty, fraud or deceit with intent to substantially benefit him or herself, or another, or substantially injure another; and the Chief of Police concludes that by reason of the crime or act the applicant would not perform his or her duties as a manager, massage technician in a law-abiding manner or in a manner which does not subject patrons to risk of harm or criminal, deceitful or otherwise unethical practices;

4. That the applicant is under 18 years of age; or

5. That the applicant does not meet the educational requirements set forth in Section 4.33.035 of this chapter.

B. Notwithstanding the foregoing, an application shall not be denied solely on the basis that a person has been convicted of a felony if the person has obtained a certificate of rehabilitation under Section 4852.01 et seq. of the California Penal Code, or that the person has been convicted of a misdemeanor if the person has met all applicable requirements of the criteria of rehabilitation developed to evaluate the rehabilitation of a person when considering the denial of a license under Section 482(a) of the California Business and Professions Code.

**4.33.130 Massage Technician Permits – Transferability.**

A massage technician permit shall not be transferable or assignable from one person to another. The permit shall contain such information as the police department requires, including the permit holder's name and address, the name and address of the enterprise or enterprises retaining his or her services for which the permit is issued, the expiration date of the permit, a physical description of the permit holder and a picture of the permit holder.

**4.33.135 Massage Technician Permits – Renewal**

Applications for renewal shall be filed, processed and permits issued in the manner and pursuant to the standards and procedures prescribed by Sections 4.10.075 through 4.10.090 of this title.

**4.33.140 Massage Technician Permits – Revocation.**

A. A massage technician permit may be revoked or suspended pursuant to Section 4.10.140 of this title upon any of the following grounds:

1. Violation of any of the duties, requirements or prohibitions contained in this chapter;

2. Violation of any of the duties, requirements or prohibitions set forth in any administrative regulations issued pursuant to Section 4.02.085 of this title;

3. Misrepresentation of a material fact contained in the application for the massage technician permit; or

4. That since issuance or renewal of the massage technician permit the Chief of Police has acquired information supporting the determination the massage technician permittee is not qualified to have a massage technician permit because he/she has not met the education requirements contained in Section 4.33.035 of this chapter.

B. Revocation of massage technician permits shall be in accordance with the provisions related to employee permits set forth in Chapter 4.10 of this title.

**Article III. Operation of Business and Conditions of Facilities**

**4.33.200 Hours of Operation.**

It shall be unlawful for any massage establishment to be operated or remain open for business between the hours of 10:00 p.m. and 8:00 a.m. of the following day.

**4.33.205 Alcoholic Beverages.**

It is unlawful for any person to sell, give, dispense, provide or keep, or cause to be sold, given, dispensed, provided or kept, any alcoholic beverage, as defined by California Business and Professions Code § 23004, on the premises of any massage establishment or in conjunction with any massage business.

**4.33.210 Display of License and Massage Technician Permits.**

A. Each massage establishment shall display the special business license in a conspicuous place within the establishment so that the same may be readily seen by persons entering the premises.

B. Each massage establishment shall display the massage technician permit, or State issued certificate, issued to each individual employed by or performing massage at the establishment.

C. A person engaged in an mobile massage service shall have the license available for inspection at all times while providing mobile massage services.

**4.33.215 Massage Establishments – Sanitation Requirements.**

Massage establishments shall at all times be equipped with an adequate supply of clean sanitary towels, coverings and linens. Towels, coverings and linens shall not be used on more than one patron unless they have first been laundered and disinfected. Disposable towels and coverings shall not be used on more than one patron. Soiled linens and paper towels shall be deposited in approved receptacles.

Within massage establishments, wet and dry heat rooms, steam or vapor rooms or cabinets, shower rooms and compartments, toilet rooms and pools shall be thoroughly cleaned and disinfected as needed, and at least once each day the premises are open, with a disinfectant approved by the health officer. Bathtubs shall be thoroughly cleaned after each use with a disinfectant approved by the health officer. All walls, ceilings, floors and other physical facilities shall be in good repair and maintained in a clean and sanitary condition. Instruments for massage shall not be used on more than one patron unless they are sterilized before each use by sterilization methods approved by the health officer.

**4.33.220 Massage Technician – Sanitation and Decency Requirements.**

While performing any massage services, massage technicians shall wear garments which cover the entire body, exclusive of the head, neck, arms, legs, hands and feet. The massage technician must be fully covered from a point of not more than four inches above the center of the kneecap to the base of the neck, excluding the arms. Such garments shall not be transparent and shall be maintained in a clean and sanitary condition.

**4.33.225 Personnel Registers.**

Operators of massage establishments shall maintain personnel registers, which shall contain the names and massage technician numbers, state certificate numbers of each person employed or retained to perform massage on the premises.

**4.33.230 List of Services**.

A list of the services available and the price of such services shall be posted in an open and clearly visible place on the premises of the massage establishment. The services available shall be described in readily understandable language. No massage establishment or massage therapist shall render or provide, or offer to render or provide, any service other than those posted.

**4.33.235 Prohibition Against Warning Devices.**

The presence of any device which can be utilized as an early warning system, to alert the employees or operator of a massage establishment to the presence of any law enforcement or local authorities on the premises is prohibited in any massage establishment. Such prohibited devices include, but are not limited to, light or music dimmers, electronic detection devices, external or internal video equipment and alarm systems other than those used for fire alarms or with alarm companies.

**4.33.240 Prohibition Against Locked Areas for Massage Services.**

Massages may not be carried on within any separate cubicle, room, booth or area within a massage establishment which is fitted with a door capable of being locked. Additionally, all reception and hallway doors must remain unlocked during business hours. The prohibition against locks on the door shall not apply to sole proprietorships where the massage therapist has a State issued certificate, or to massage establishments that only employ massage therapists with state issued certificates.

**SECTION 2.** In consolidating and updating all massage regulations under Title 4 of the Municipal Code, the following amendments are required:

***A. The second paragraph of Section 4.06.005, "License Required," of the Rancho Cordova Municipal Code is amended to read as follows:***

Notwithstanding any other provision in this chapter to the contrary, a massage establishment or an mobile massage service, as such terms are defined in Chapter 4.33 RCMC, shall secure a general business license.

***B. The fifth paragraph of Section 4.06.065, "Number of Licenses," of the Rancho Cordova Municipal Code is amended to read as follows:***

Notwithstanding any other provision of this section, only one general business license for a massage establishment or mobile massage service, as such businesses are defined in Chapter 4.33 RCMC, shall be issued and in effect at any one time for any one business location. This one general business license shall be the only license that authorizes the offering or conduct of massage at, or from, the particular business location, as applicable. If the massage establishment or mobile massage service business has more than one fixed location or branch, each branch or location thereof shall have its own general business license for that particular location that authorizes the offering or conduct of massage at that branch or location.

***C. The first paragraph of Section 4.34.000, "Purposes," of the Rancho Cordova Municipal Code is amended to read as follows:***

There has been a proliferation throughout the city of Sacramento of adult-related establishments, such as escort bureaus, introductory services, public bathhouses, model studios, sexual encounter centers, and similar businesses which offer patrons services or entertainment characterized by an emphasis on matters depicting, describing or relating to specified sexual activities or specified anatomical areas. There has been a demonstrable relationship between high incidence of unlawful prostitution and drug-related crime, and the adult-related establishments regulated by this chapter. Such businesses operate as fronts for houses of prostitution and for illegal drug-related transactions. Past regulation by the city of some of these establishments, has been unsuccessful because the establishments evade the regulations by changing their names to indicate different objects or purposes from the types of businesses regulated.

***D. The first paragraph of Section 4.34.010, "Adult-Related Establishment," of the Rancho Cordova Municipal Code is amended to read as follows:***

"Adult-related establishment" means a bathhouse, escort bureau, introductory service, modeling studio or sexual encounter center, as defined by this chapter. "Adult-related establishment" shall also include any other business or establishment which has available for or offers any patron, for pecuniary compensation, consideration, hire or reward, services or entertainment or activities which involve specified sexual activities or the display of specified anatomical areas.

***E. Section 4.34.030, "Definitions – Massage Services," of the Rancho Cordova Municipal Code is hereby repealed.***

***F. Subsection (E) of Section 4.34.055, "Exemptions," of the Rancho Cordova Municipal Code is deleted in its entirety.***

***G. Section 4.34.070, "Personnel Registers," of the Rancho Cordova Municipal Code is amended to read as follows:***

4.34.070 Personnel Registers.

Operators of adult-related establishments shall maintain personnel registers, which shall be available for inspection by the chief of police at all times during regular business hours, as follows:

A. With respect to an escort service, a personnel register shall be maintained which includes the name and employee permit number of each person employed or retained as an escort.

B. With respect to a modeling studio, a personnel register shall be maintained which includes the name and employee permit number of each person employed or retained as a figure model.

C. With respect to any adult-related establishment, other than a modeling studio or escort service, a personnel register shall be maintained which includes the names of all persons employed or retained on the premises to provide services, the title of the position of each such person, and as to those persons required to possess employee permits by this chapter, their employee permit numbers.

***H. Sections 4.34.080 and 4.34.085 of the Rancho Cordova Municipal Code are hereby repealed.***

***I. Sections 4.34.095, 4.34.100, and 4.35.105 of the Rancho Cordova Municipal Code are hereby repealed.***

***J. Section 4.34.205, "Display of License," of the Rancho Cordova Municipal Code is amended to read as follows:***

4.34.205 Display of license.

Each adult-related establishment shall display the special business license in a conspicuous place within the establishment so that the same may be readily seen by persons entering the premises.

***K. Section 4.34.210, "Employee Permit Required," of the Rancho Cordova Municipal Code is amended to read as follows:***

4.34.210 Employee permits required.

A. It shall be unlawful for any person to provide any of the following services without possessing a valid, unexpired and unrevoked employee permit issued pursuant to the provisions of Chapter 4.10 RCMC and this chapter:

1. Act as a manager of an adult-related establishment by supervising or controlling the personnel of such an establishment or the services rendered therein;

2. Act as an escort; or

3. Act as a figure model in a modeling studio.

B. It shall be unlawful for the operator of any adult-related establishment to employ or retain a person to perform any of the above services unless such person possesses such an employee permit.

***L. Subsection (C) of Section 4.34.215, "Application," of the Rancho Cordova Municipal Code is deleted in its entirety.***

***M. Section 4.34.220, "Issuance," of the Rancho Cordova Municipal Code is amended to read as follows:***

4.34.220 Issuance.

A. Upon receipt of an application for an employee permit to act as a manager of an adult-related establishment, an escort or a figure model, the Chief of Police shall conduct such investigation pursuant to RCMC 4.10.085 as is deemed necessary. The Chief of Police shall issue the permit unless he or she finds, pursuant to RCMC 4.10.090, any of the following:

1. That the application fails to contain information required by the Chief of Police or RCMC 4.34.215, or is otherwise incomplete;

2. That information contained in the application is false or otherwise inaccurate;

3. That the applicant has been convicted of a crime and the time for appeal has elapsed, or when an order granting probation is made suspending the imposition of sentence, irrespective of the entry of a subsequent order under Section 1203.4 of the California Penal Code; or has done any act involving dishonesty, fraud or deceit with intent to substantially benefit him or herself, or another, or substantially injure another; and the chief of police concludes that by reason of the crime or act the applicant would not perform his or her duties as

a manager, escort or figure model in a law-abiding manner or in a manner which does not subject patrons to risk of harm or criminal, deceitful or otherwise unethical practices;

4. That the applicant is under 18 years of age.

B. Notwithstanding the foregoing, an application shall not be denied solely on the basis that a person has been convicted of a felony if the person has obtained a certificate of rehabilitation under Section 4852.01 et seq. of the California Penal Code, or that the person has been convicted of a misdemeanor if the person has met all applicable requirements of the criteria of rehabilitation developed to evaluate the rehabilitation of a person when considering the denial of a license under Section 482(a) of the California Business and Professions Code.

**SECTION 3.** Severability.

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

**SECTION 4.** Effective Date and Publication.

Within fifteen (15) days from and after adoption, this Ordinance shall be published once in the Grapevine Independent, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with California Government Code Section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its adoption.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova this 20th day of April, 2009, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Reuben Meeks, Rancho Cordova Police Department

**SUBJECT:** **REQUEST TO INCREASE PARKING VIOLATION FINES CONTINUATION**

## RECOMMENDATION

Continue item to April 20, 2009.

## RESULT OF RECOMMENDED ACTION

Continuation of this Agenda Item 10.6 to April 20, 2009 will allow additional time for review by staff and the City Attorney's office.

**AGENDA ITEM 10.6**

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Cyrus Abhar, Public Works Director

**SUBJECT:** **AWARD OF CONTRACT FOR THE MANAGEMENT, OPERATION, AND MAINTENANCE FOR THE CITY OF RANCHO CORDOVA SHUTTLE SERVICE**

## RECOMMENDATION

Adopt Resolution No. 32-2009 authorizing the City Manager to negotiate and execute a contract with Sacramento Regional Transit in an amount not to exceed $750,000 for three years of service for the management, operation, and maintenance of the City's new demonstration shuttle service. Allow the City Manager the option of negotiating with MV Transportation, Inc. or Paratransit, Inc. if the negotiation with Sacramento Regional Transit fails.

## RESULT OF RECOMMENDED ACTION

Upon adoption of this resolution the City Manager will negotiate and execute the contract with Sacramento Regional Transit and the project team will move forward with implementation of the Rancho Cordova Shuttle Service. If the negotiation with Sacramento Regional Transit fails, the City Manager will have the option of negotiating with MV Transportation, Inc. or Paratransit, Inc.

## BACKGROUND

The residents, visitors, employers, and employees that help our community flourish enjoy light rail service that allows mobility throughout much of the Sacramento region. Light rail service is accessible on the north side of Highway 50. Unfortunately, those on the south side of Highway 50 are challenged with a formidable, physical barrier when attempting to use light rail. A project planning team that includes City staff and a consultant designed a demonstration shuttle service that will link the south to the north and mitigate the difficult pedestrian access over the Zinfandel/Highway 50 Interchange and provide better connectivity with the light rail system.

The primary source of funding for the demonstration shuttle is a 3-year demonstration grant from the federal Congestion Mitigation and Air Quality (CMAQ) program. Supplemental funding will come from limited special benefit taxes paid by the residents of Capital Village and the Villages of Zinfandel.

On January 28, 2009, a Request for Proposals (RFP) for this project was released and subsequently published in the Grapevine, posted on the City's website, and also mailed to several known transit contractors. Proposals were received on March 2, 2009 from Paratransit Inc., Sacramento Regional Transit, MV Transportation, and All West Coachlines. The

evaluation committee consisted of City staff from Public Works, the City Communications Director, and two transit operations and funding experts from SACOG.

The evaluation committee reviewed the proposals and chose to interview Paratransit Inc., Sacramento Regional Transit, and MV Transportation. All of the candidates currently provide service within Rancho Cordova. The evaluation committee felt that all candidates are exceptionally qualified to provide transit services. After the interviews, Sacramento Regional Transit was chosen unanimously as the candidate best suited for this project based on their strong experience, value-added services, knowledge of Rancho Cordova's customer base, proposed equipment, and proposed cost.

The RFP requested cost proposals for each of the two possible route options. The proposed route #1 was an option that traveled only through the business community and not through the Villages of Zinfandel neighborhood. The proposed route #2 stayed on Zinfandel Boulevard and looped through the Villages of Zinfandel. On March 24, 2009, the Council gave staff direction to pursue a route option that was a blend of the original two potential routes for which all candidates proposed costs. This option will cost more than the least expensive option, but will be within budget and result in a better service to our customers.

The Council's direction resulted in a route that will have a cost closer to the amount for proposed route #2. Sacramento Regional Transit's cost for each of the three years are: Year 1 - $222,026; Year 2 - $225,954; and Year 3 - $231,750. The total for three years is $679,730. The reason staff is recommending a not-to-exceed amount of $750,000 is to allow for flexible branding options, adjustments to the route, increased fuel expenses, and any unanticipated expenses during the three-year demonstration period. Approximately $50,000 of the CMAQ grant has already been expended for grant administration, system planning, procurement, and outreach activities to the business community. The remaining $100,000 can be used for costs to administer the grant and transit contract, advertising, fare evaluation, costs of printing fare media, and expenses not yet known that are directly related to the implementation of the demonstration shuttle service.

## ATTACHMENT

Resolution No. 32-2009 including **Exhibit A** – Scope of Work & Cost Proposal

**CITY OF RANCHO CORDOVA**

**RESOLUTION NO. 32-2009**

**A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A CONTRACT WITH SACRAMENTO REGIONAL TRANSIT**

**WHEREAS**, the City of Rancho Cordova wishes to contract with a professional transit provider for the implementation of a three-year demonstration shuttle service; and

**WHEREAS**, the City of Rancho Cordova wishes to contract with Sacramento Regional Transit for these services in an amount not to exceed $750,000 **(Exhibit A)**; and

**WHEREAS**, the cost of those services will exceed the maximum amount that the City Manager has authorization to approve; and

**WHEREAS**, if the negotiation with Sacramento Regional Transit fails, the City Manager will have the option of negotiating with MV Transportation, Inc. or Paratransit, Inc.; and

**WHEREAS**, the City of Rancho Cordova has secured a three-year demonstration grant from the federal Congestion Mitigation and Air Quality (CMAQ) program to cover the cost of this contract; and

**WHEREAS**, the residents of the neighborhoods of Capital Village and Villages of Zinfandel pay an annual special benefit tax to provide matching funds for the CMAQ demonstration grant.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA** that the Council authorizes the City Manager to negotiate and execute a contract with a transit provider, in a form approved by the City Attorney.

**PASSED AND ADOPTED** by the City Council of the City of Rancho Cordova on the 6th day of April, 2009 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

_____
Dan Skoglund, Mayor

**ATTEST:**

_____
Mindy Cuppy, City Clerk

CITY OF RANCHO CORDOVA
CALIFORNIA
Incorporated 2003

EXHIBIT A

# Proposal for Management, Operation and Maintenance of Commuter Shuttle Service

March 2, 2009

Regional Transit

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Appendices

A - RT Financial Statements
B - Required Insurance Certificates
C - Form 1.3: Receipt of Addenda
D - Required Certifications
E - RT Operator Rule Book
F - RT Maintenance Process Forms and Checklists
G - Cost Proposal: Forms 1.1 and 1.2

# 1. Introduction

## Organizational Background

Sacramento Regional Transit (RT) was created by the California State Legislature in 1971 to operate a comprehensive unified public transportation system in the Sacramento region. RT began operations on April 1, 1973, and in the ensuing 35 years has worked with diligence to fulfill an ongoing mission to promote and enhance regional mobility by providing quality public transportation services for the people of the Sacramento region.

The agency is governed by an eleven-member Board of Directors, including four appointed by the Sacramento City Council; three by the Sacramento County Board of Supervisors; and one by each of the following Cities: Rancho Cordova, Citrus Heights, Elk Grove and Folsom. RT's three operating divisions include Regular Fixed-Route Bus, Community Bus Service (CBS) and Light Rail (LR).

RT currently operates 237 buses on 93 bus routes serving nearly 3,600 bus stops, 18 park-ride lots and 500 passenger shelters spread across a 420-square mile service area. The CBS division, in which the City's new Commuter Shuttle Service will be situated, operates 20 buses on ten routes using small buses to provide locally customized fixed route and route deviation services. The LR Division manages 76 rail vehicles running along 37.4 miles of track serving 47 stations. Additionally, RT contracts with Paratransit Inc. to provide complementary paratransit service fulfilling our commitment to the Americans with Disabilities Act.

## References and Similar Projects

RT is well-known in the community with a favorable reputation based on dedication to the riding public. Our CBS division is focused on small bus fixed route and route deviation services that are quite similar to the new Commuter Shuttle Service envisioned by the City of Rancho Cordova. Three existing contract services are offered as references below:

City of Citrus Heights Shuttle - RT has provided Neighborhood Ride deviated fixed route service under contract to the City of Citrus Heights since 2001. Much like Rancho Cordova's present initiative, this service began as a CMAQ-funded demonstration project.

Contact: Mary Poole
City of Citrus Heights
6237 Fountain Square Drive
Citrus Heights, CA 95621
(916) 727-4730

McClellan Park Transportation Management Association Shuttle – RT began operating an employee shuttle between McClellan Park and the Roseville Road LRT station in December 2008. The service is funded with federal Congestion Mitigation and Air Quality Improvement (CMAQ) demonstration grant funds secured by TMA. One bus runs every 30 minutes during peak periods.

Contact: Beverly Rager, Executive Director
McClellan Park TMA
3410 Peacekeeper Way
McClellan, CA 95652
(916) 570-5314

City of Folsom Light Rail Service – RT operates the Folsom Light Rail extension under contract to the City of Folsom. This service has been successful beyond expectations with standing-room only passenger loads during commute hours especially. The City of Folsom is very pleased with the service and is in discussions with RT about the possibility of increasing headways and/or providing limited-stop service.

Contact: Kerry Miller, City Manager
City of Folsom
50 Natoma Street
Folsom, CA 95630
(916) 355-7220

## Required Documentation

RT financial statements reflecting the last three fiscal years are provided in Appendix A.

Require certificates of insurance coverage are provided in Appendix B. All coverage limits meet or exceed the requirements stated in the RFP. Our five-year loss history is within acceptable parameters, and our Risk Manager is available to discuss specifics with City staff as needed.

A signed copy of Form 1.3: Addendum Receipt is provided as Appendix C.

The following required certifications are submitted as Appendix D:

a. Non-collusion
b. Eligibility
c. Drug-Free Workplace
d. Debarment, Suspension and Other Responsibility Matters
e. Restrictions on Lobbying
f. Control of Contractor's Employee
g. Conflicts of Interest and Non-Competitive Practices
h. Public contract Code Section 10162 Questionnaire

In the event we are selected as the City's service provider, RT will prior to the first day of service provide to the City a Performance Bond or Letter of Credit in the amount of five percent (5%) of the amount of the first year contract, and a Fidelity Bond in the amount of $10,000.

# 2. Management and Staffing

This section describes our proposed approach for managing the Commuter Shuttle project in partnership with the City of Rancho Cordova. Our approach combines strong planning, marketing, monitoring and evaluation capabilities with a solid operating foundation to ensure that the City receives outstanding service at all times.

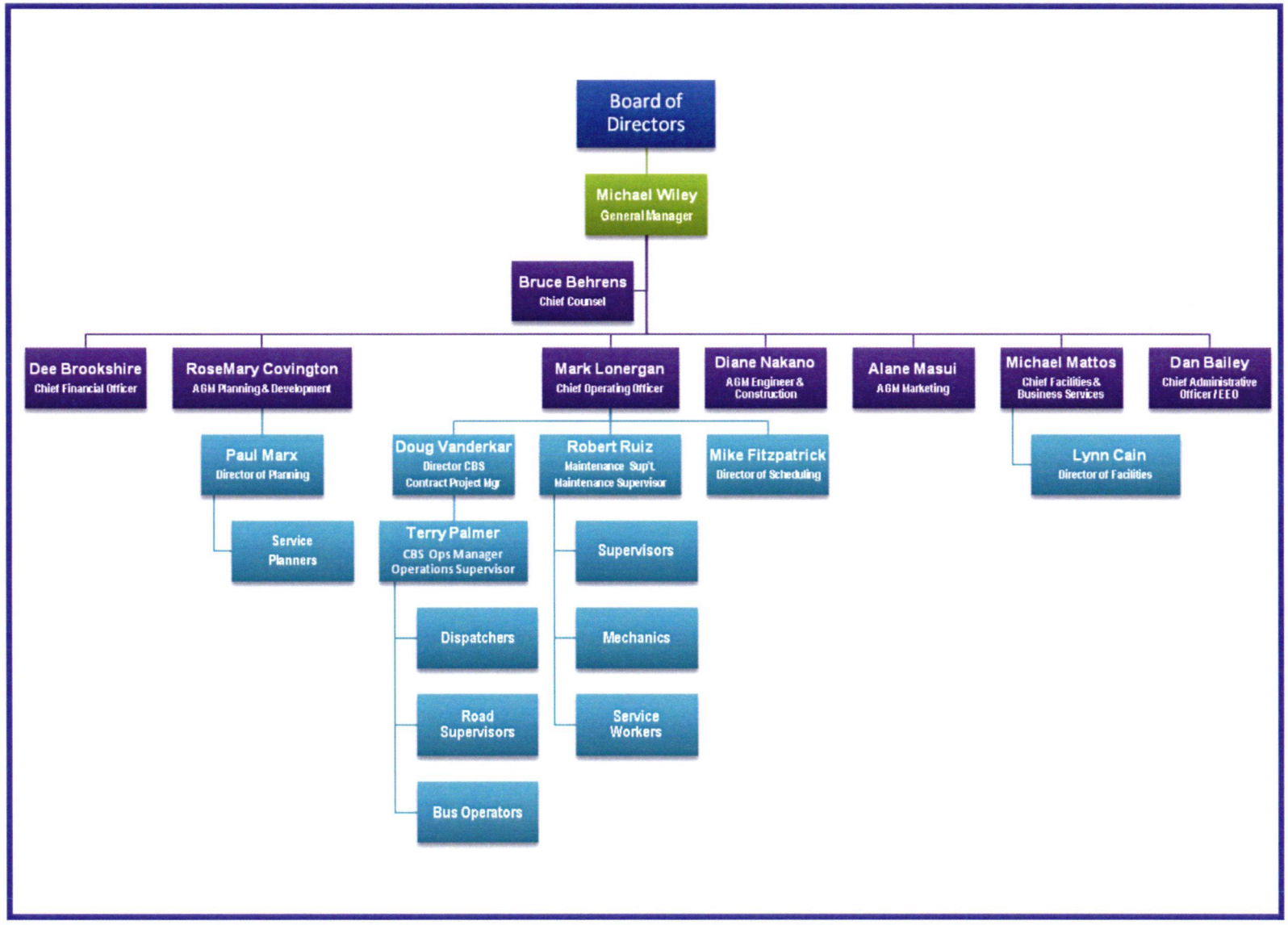
RT employs a total work force of 1,163 people under the leadership of our Board of Directors, General Manager and eight others on the executive management team. Eighty percent of the workforce is dedicated to bus and light rail system operations and maintenance. We intend to apply the full range and depth of our organizational skills and experience to this project such that City officials, staff and residents and shuttle riders enjoy a smooth ride in all respects. Our staffing approach is described in this section and illustrated in the table of organization appearing on the following page.

## RT Executive Team

**Michael Wiley** is the General Manager of RT. Mike is a 31-year veteran employee with an outstanding record of accomplishment across departments and functional areas of the organization. He served as the Deputy General Manager for two years prior to assuming his current position last year. Mike is active in the community, both as a Board Member for the Del Paso Boulevard Business Improvement District and a 12-year member of the Natomas Unified School District Board of Trustees. He is a graduate of California State University Sacramento with a Bachelor of Arts in Social Science.

**Dan Bailey** is Chief Administrative/EEO Officer with responsibility for executive oversight of RT's Labor Relations, Human Resources, Affirmative Action and Equal Employment Opportunity functions. Dan has been with RT for over 25 years and served as Human Resources Manager for four years and Manager of Employee Relations for 21 years before being appointed to his current position last year. Prior to joining RT, Dan worked in labor relations in the timber industry and served four years in the U.S. Air Force. He earned a Bachelor of Arts degree in Economics from California State University, Sacramento, and also attended Fairmont State College in West Virginia.

**Bruce A. Behrens** is Chief Legal Counsel for the Transit District with oversight responsibility for our staff attorneys engaged in litigation and transactional law. He advises the Board of Directors, District officers and employees on a wide range of legal, business and government affairs. He joined RT in 2008 following 35 years in Caltrans' Legal Division, including the last eight years as Chief Counsel, and five years in the Legislative Affairs Office.


Board of Directors
Michael Wiley
General Manager
Bruce Behrens
Chief Counsel
Dee Brookshire
Chief Financial Officer
RoseMary Covington
AGM Planning & Development
Mark Lonergan
Chief Operating Officer
Diane Nakano
AGM Engineer & Construction
Alane Masui
AGM Marketing
Michael Mattos
Chief Facilities & Business Services
Dan Bailey
Chief Administrative Officer / EEO
Paul Marx
Director of Planning
Service Planners
Doug Vanderkar
Director CBS Contract Project Mgr
Terry Palmer
CBS Ops Manager Operations Supervisor
Dispatchers
Road Supervisors
Bus Operators
Robert Ruiz
Maintenance Sup't. Maintenance Supervisor
Supervisors
Mechanics
Service Workers
Mike Fitzpatrick
Director of Scheduling
Lynn Cain
Director of Facilities

**Dee Brookshire** is Chief Financial Officer with responsibility for finance, accounting, grants, cash management and treasury functions of the District. Dee has more than 20 years of public agency and private sector finance experience at the senior and executive level. Prior to joining RT, she served as Director of Finance for the City of Antioch, Director of Finance and Management Services-Treasurer for EID in El Dorado County, Controller-Treasurer for City of Tahoe Public Utilities District, and Chief Financial Officer for Gamet Technologies, Inc. in Reno. Dee earned a BS in Finance and Economics from California State University in Sacramento and an MBA from the University of Nevada Reno, and is a Certified Government Financial Manager (CGFM) through the Association of Government Accountants (AGA).

**RoseMary Covington** is Assistant General Manager of Planning and Transit System Development with responsibility for all short and long range planning, including the currently ongoing 30-year Transit Master Plan major project planning, as well as transit oriented development and real estate management. RoseMary has 28 years of transit management experience with public transit systems, metropolitan planning agencies, and as a consultant. Before joining RT in 2007, she held executive level positions with Bi-State Development Agency in St. Louis, the Greater Cleveland Regional Transit Authority and most recently served District of Columbia where she served as Mass Transit Administrator.

**Mark Lonergan** serves as Chief Operating Officer with responsibility for all day-to-day activities at three operating divisions. Mark has been with RT for 31 years compiling broad experience through assignments in the Planning, Transportation and Facilities departments before accepting his present position. He previously served as Deputy Chief Operating Officer for eight years and as Director of Light Rail where he oversaw the start-up of the South Line and the Sunrise and Folsom extensions. Mark holds a Bachelor of Science degree from the University Of California at Davis and a Master of Public Administration from California State University in Sacramento.

**Michael Mattos** is Chief of Facilities and Business Support Services with responsibility for safety, facilities, information technology, procurement and capital programs. Mike's career spans 34 years in the public transit, aerospace and mining industries as a Mechanical and Industrial Engineer, Safety and Environmental Department Head, Production Manager and Plant Manager. Prior to joining RT, Mike worked for the U.S. Department of Defense managing major construction projects and supervised a staff of 450 employees.

**Alane Masui** is Assistant General Manager of Marketing and Communications with responsibility for advertising, marketing, media and customer service activities for the bus and light rail system. Alane has 18 years of career transit experience with progressively responsible managerial positions pertaining to marketing and customer service. Prior to joining RT in 1999, she served as the Marketing and Commuter Services Manager for the San Joaquin Regional Transit District. Alane holds a Bachelor of Arts degree in Communication Studies and Journalism from California State University, Sacramento.

**Diane Nakano** is Assistant General Manager of Engineering and Construction with responsibility for design and construction oversight of capital projects supporting LRT and bus systems development. Diane rejoined RT in 2006 following six years with the City of Citrus Heights managing transportation capital projects. In her previous employment with RT, she worked in the Civil & Track Design department managing the design of several light rail and bus facility improvement projects. Diane holds a B.S.C.E. degree University of California at Davis and is a licensed Professional Engineer.

## Project Management

RT is consistently successful implementing and managing projects because we understand that responsibility is agency-wide. This distinguishes RT from other contract service providers that are organized as a collection of individual projects in far-flung locations isolated from one another with insufficient management support. Our "bottom line" is service quality rather than corporate profitability, and we measure our performance in terms of the favorable travel experience we provide to our customers. We intend to make optimal use of our organizational strengths by distributing responsibility for managing the Rancho Cordova Commuter Shuttle across functional areas at RT. Our efforts will be coordinated by an experienced Project Manager reporting directly to the Chief Operating Officer. The project organization table below illustrates how we propose to implement and oversee the new service.

Recognizing that the City is looking for a collaborative partner with a vested interest in the successful rollout of the new service, RT will assign daily operating and maintenance functions to our Community Bus Service (CBS) Division. CBS is RT's incubator for innovative services using smaller vehicles, alternative scheduling and dispatching methods, and advanced communications technologies. CBS is housed in our McClellan Park operating facility and managed by Douglas Vanderkar, our division director. Doug will serve as Contract Manager and single initial point of contact for City staff. His responsibility will be to ensure that the Rancho Cordova Commuter Shuttle receives the high level of attention and detail needed for a smooth service roll-out and ongoing service delivery.

Proposed staffing levels are enumerated in the following pages on Form 1.2. Our candidates for Project Manager, Operations Manager, Maintenance Supervisor and Customer Service Supervisor are:

**Doug Vanderkar** is designated as Contract Project Manager. He has 22 years of transit industry experience and holds a B.S. in Managerial Economics from the University of California at Davis. Prior to joining RT as Director of Community Bus Service, Doug served as Director of Transportation with the San Joaquin Regional Transit District in Stockton, and with Central Contra Costa Transit Authority in Concord. He also worked for the City of Vallejo overseeing contracts governing the transit, paratransit, taxi and ferry services sponsored by the city. Doug understands the transit business from top to bottom, having spent three years as a driver for

Yolo County Transit Authority early in his career, participating in numerous training courses pertaining to Drug/Alcohol Testing, Disaster Preparedness, Terrorism Response, Labor Relations, transit planning and scheduling. He currently serves on the American Public Transit Association (APTA) Clean Propulsion and Bus Operations Committees.

**Terry Palmer** is designated as Operations Supervisor for the new Rancho Cordova Commuter Shuttle service. In this capacity, he will be responsible for the fine details of service delivery at CBS, including supervisory control over Garage Dispatchers, Road Supervisors, and Bus Operators. Terry was appointed as RT's CBS Operations Manager in 2005, following 19 years as our Training Administrator. He has facilitated several National Transit Institute (NTI) workshops for Transit Trainers, and is a 1995 recipient of NTI's *Innovations in Training* Award. Before joining RT, Terry served in the U.S. Air Force for 11 years, including six as Executive Officer of US and NATO E-3A Airborne Warning and Control (AWACs) Flight Test Programs, Senior Battle Staff Director and aircrew member. He holds an M.A. in Education from Boston University.

Terry also is designated as Customer Service Supervisor for the project. He currently is responsible for customer communications at CBS, including supervision of telephone information and customer relations. Terry will work cooperatively with City staff on matters pertaining to pass sales and distribution, customer feedback, telephone information, print media content and distribution, and electronic customer information.

**Robert Ruiz** is designated as Maintenance Supervisor and will oversee the day-to-day servicing, maintenance and repair of Rancho Cordova Commuter Shuttle vehicles. Robert is a 31-year RT employee with formidable knowledge and experience built on a steady career progression from Mechanic to Maintenance Supervisor (1991), to Maintenance Trainer (1997) and currently Maintenance Superintendent (since 2006). He will be responsible for all project-related vehicle and equipment maintenance, including supervision of maintenance staff, information tracking and reporting, safety awareness program and accident investigation. Robert attended Sacramento City College where he studied Electronics.

## PROPOSAL FORM 1.2

**for Potential Routes 1 and 2**

***(Form Revised 2/20/09)***

## CONTRACTOR'S PROPOSED STAFFING LEVELS OPERATIONS AND MAINTENANCE

Instructions: Complete this form for each job classification by year. **Note: If the contract considers the desirability of other positions, such position(s) must be described in the proposal.**

| # | Rancho Cordova | Year One | | Year Two | | Year Three | |
|---|---|---|---|---|---|---|---|
| | Job Classification | # of Persons[6] | Wage Scale[5] | # of Persons[6] | Wage Scale[5] | # of Persons[6] | Wage Scale[5] |
| 1 | Contract Project Manager | .04 | 8,333 | .04 | 8,416 | .04 | 8,501 |
| 2 | Operations Supervisor | .04 | 7,083 | .04 | 7,154 | .04 | 7,225 |
| 3 | Safety & Training | .01 | 6,100 | .01 | 6,161 | .01 | 6,223 |
| 4 | Road Supervisor | .01 | 6,600 | .01 | 6,667 | .01 | 6,733 |
| 5 | Dispatcher | .20 | 5,600 | .20 | 5,656 | .20 | 5,713 |
| 6 | Clerk | .04 | 3,660 | .04 | 3,697 | .04 | 3,734 |
| 7 | Phone Operators | .20 | 5,600 | .20 | 5,656 | .20 | 5,713 |
| 8 | Any Other Position | | | | | | |
| 9 | Maintenance Supervisor | .01 | 7,500 | .01 | 7,575 | .01 | 7,651 |
| 10 | Mechanics | .04 | 4,170 | .04 | 4,212 | .04 | 4,254 |
| 11 | Service Workers | .15 | 3,350 | .15 | 3,384 | .15 | 3,417 |
| 12 | Other | | | | | | |
| 13 | Other | | | | | | |
| 14 | Fixed Route Drivers | 4 | 2,482 | 4 | 2,532 | 4 | 2,608 |
| 15 | Personnel Located Off-Site[7] | | | | | | |
| 16 | **TOTAL ANNUAL STAFFING** | 4.74 | | 4.74 | | 4.74 | |
| 17 | **TOTAL ANNUAL STAFFING IN TERMS OF WORK HOURS** | 9,859 | | 9,859 | | 9,859 | |

Footnotes:

[5] Wage Scale should be either the hourly wage or the monthly salary. In the case of the drivers, the estimated number of drivers at each wage rate should be listed.

[6] Number of Persons should be expressed in terms of full-time equivalents. A full-time person equals 2,080 work hours.

[7] The responsibilities of any off-site personnel should be outlined in you proposal.

## Management Philosophy

CBS is managed around a singular philosophy – provide excellent service. Philosophy becomes practice at CBS with a positive work environment and "family atmosphere" made possible by its compact size. We strive to maintain workforce cohesion with very low turnover by offering competitive wages and benefits, access to state-of-the-art equipment and tools maintained at high standards, and commitment to exceptional customer service. We recognize outstanding performance with certificates of achievement and gift cards, and regularly facilitate Employee Appreciation Day events featuring barbeques and "pot-lucks" where managers cook for rank-and-file employees. Our bus operators often convene "Theme Movie Days" in the Ready Room for those on break or serving extraboard duty.

RT encourages our operators and dispatchers to participate in an annual "Bus Roadeo" competition, and we send our winners to the national competition sponsored by the American Public Transit Association (APTA). Additionally, RT hosts an annual agency-wide safety awards banquet and invites recipients to bring their families to join in the celebration.

Such extra efforts help to explain why so many CBS operators prefer to stay in the division rather than moving on to higher paying positions in our regular Fixed-Route bus and LR divisions. Meanwhile, we also work to preserve high standards by retraining, disciplining or terminating errant employees promptly within the parameters of sound business practice and our collective bargaining agreement.

## Operations Staff

Our CBS Division is staffed by competent dispatchers, supervisors, bus operators and other personnel necessary to deliver top quality service. Supervisory work shifts overlap to ensure uninterrupted coverage and continuity of operations management decisions across the service day. Operator work assignments will be developed for CBS by RT's Scheduling Department and crafted to optimize safety, cost effectiveness and employee relations.

RT operators are held to a high level of performance as defined in the RT Operator Rule Book (see Appendix E). The book addresses 12 essential aspects of the job:

- Personal Appearance and Conduct
- Customer Service
- Knowledge of Traffic Laws
- Pre-Trip Inspection
- Bus Maintenance and Repair
- Operation Procedures
- Fare Handling
- Americans with Disabilities Act (ADA) Requirements

- Emergency Procedures
- Safety Procedures
- Radio Operation
- Report Writing
- General Rules

## Employee Recruitment and Training

RT's Human Resources Department handles recruiting of operators and other operating employees. We advertise job vacancies in various print and electronic media, including the Sacramento Bee, Sacramento News and Review, Craigslist and others. RT also participates in regional job fairs and other recruiting events. Applicants are screened by Human Resources for minimum qualifications and tested for skills and aptitude. The highest scoring applicants proceed to oral interviews with a three-member panel comprised of an RT Trainer, a Transportation Department supervisor, and a Human Resources recruiter. Top candidates are placed on an eligibility list from which RT selects its new trainees depending on need. Those selected to begin training then undergo a criminal background check and pre-employment substance abuse testing. Candidates are required to pass the DMV written test for a Class B Commercial Drivers License with Passenger and Air Brake Endorsements, and receive their Verification of Transit Training (VTT).

RT usually convenes new training classes with two to eight trainees. The entire course takes six to eight weeks and incorporates classroom and behind-the-wheel instruction. Upon completion, trainees are able to drive any bus in the RT fleet, including 30' and 40' heavy-duty buses, replica trolleys, as well as the small buses that are proposed for use on the new Rancho Cordova commuter routes. Those who successfully complete the training course move on to "line training" as apprentice drivers in revenue service supervised by an experienced RT bus operator. Line training lasts two to three weeks for most apprentice drivers before they are certified by an RT Trainer for assignment within the CBS operating division.

## Performance Monitoring and Quality Control

Consistent performance and quality are expected at RT and we regularly monitor staff efforts, vehicles, facilities and equipment through a variety of means. Customer feedback is a baseline component of the process, and RT logs and responds to every customer comment received by telephone, email, letter and verbally through our operators. We take customer comments seriously and deal with them promptly. We use our Road Supervisors to investigate situations in the field, and we document findings in written reports. RT has a fully trained staff of Road Supervisors monitoring service throughout Sacramento County, and our policy is to maintain sufficient road supervision coverage wherever it is needed throughout the service day.

Service quality performance is monitored by the Dispatcher on duty using our CAD-AVL system supplying up-to-the-minute satellite information on the location of our buses in revenue service.

Dispatchers use this powerful tool in conjunction with digital radio communications to maintain schedule reliability, anticipate and pre-empt operating problems, and respond quickly to incidents and emergency situations. Another useful tool is our APC system that counts passengers electronically and compiles historical running time data that our Scheduling staff use to adjust timetable running times as necessary.

Vehicle safety, reliability and comfort are monitored continually because the bus largely influences our customers' travel experience on the RT system. Timely preventive maintenance and the operator's daily pre-trip inspection reports are the twin pillars of quality control in the RT Maintenance Department. Every RT bus goes over the pit and gets a brake inspection every week. Maintenance Supervisors frequently conduct random inspections of maintenance and repair activities in process and upon completion. Maintenance history records for each bus are independently reviewed by managers in the Bus Maintenance Department to ensure that all vehicles are maintained correctly and preventive maintenance inspections are performed on time.

## Safety and Security / Risk Management

RT is heavily invested in safety and security at all levels and functional areas of the organization. Our Safety Department reviews all routes, bus stops, shelters, bus equipment and environmental conditions on our buses, and works with member jurisdictions to ensure that RT service is as safe as possible. Our Risk Management and Safety Departments work together to evaluate accidents and incidents and find ways to prevent them in the future. Constructive examples of their efforts include installation of new step well flooring to minimize slips and falls, more conveniently redesigned grab rails in buses, and repositioning of side view mirrors to improve driver sightlines.

Diagnosis and preemption are important characteristics of our comprehensive safety program. RT has installed a digital video recorder system with multiple cameras placed on each bus. The buses used to operate the Rancho Cordova service will each have four cameras onboard: one placed above the operator with a view of the farebox, entry door, and front section of the bus; a second on the ceiling looking to the rear of the bus with a view of all passengers; the third with a view of the wheelchair lift and securement area; and the fourth in the front windshield looking out at traffic.

Responding to accidents quickly and effectively is a top safety priority for RT. Dispatch coordinates these occurrences with RT Police and area police departments as necessary to ensure that first-responders are on their way to the scene. A Road Supervisor is dispatched. For serious accidents, the video from the recording system is pulled and sent to the Risk Department. Safety Department personnel are notified to assist in accident scene investigation. For larger operational or regional emergencies, RT relies on first responders and the scene commander for direction and how RT should respond. RT is heavily involved in regional planning efforts for responding to regional emergencies and evacuation plans.

The most visible portion of RT's security measures is the RT Police Department. RT's police services include 30 officers who patrol the bus and rail system in marked squad cars, and on foot. The department also includes two K-9 units trained to locate guns and explosives, although by their presence the dogs also serve as excellent deterrents to bad behavior on RT buses and trains.

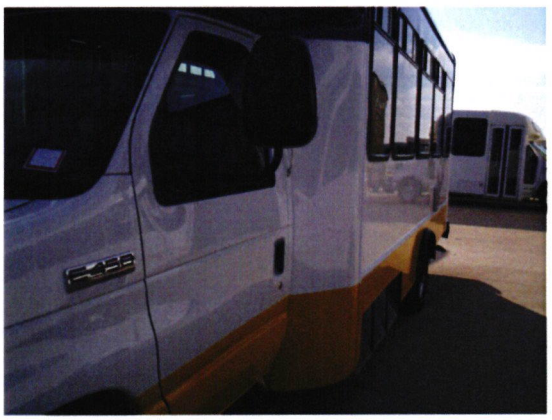
## Employee Uniforms

We will work with City staff to adjust the look of our operator uniforms as appropriate for the Rancho Cordova service. RT requires that all operators and selected other front-line employees be in uniform while at work. We experience nearly universal compliance with this policy. Operators receive an annual allotment of electronic "vouchers" that may be redeemed at selected uniform retailers to purchase RT-approved uniform items such as shirts, slacks, shorts, skirts, belts, ties, caps, etc. This system works well and as a result, RT operators are seen wearing clean, sharp, and new looking uniforms.

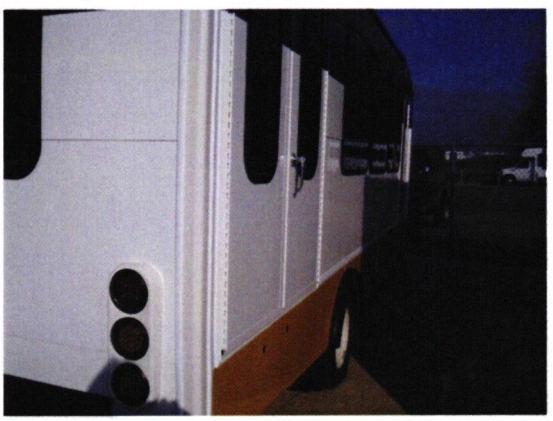
# 3. Vehicles and Facilities

## Description of Vehicles Proposed

RT proposes to deploy two (2) brand new Starcraft 25' buses that meet or exceed the minimum requirements of the RFP in every aspect. As shown in the adjacent photos, these vehicles are cutaway designs fabricated on Ford E-450 truck chassis. Painted white with distinctive blue and gold stripes on the cap and skirt, they are ready to begin revenue service upon notification by the City. We are entirely open to particular branding ideas that the City may desire to make these buses uniquely Rancho Cordova's. Our Director of Marketing will cooperatively assist with City staff to develop a service logo and other brand attributes that are beckoning to bus riders and the general public, and we will produce decals, magnetic signs and exterior paint scheme modifications as necessary to provide a well-recognized service with good looking buses.

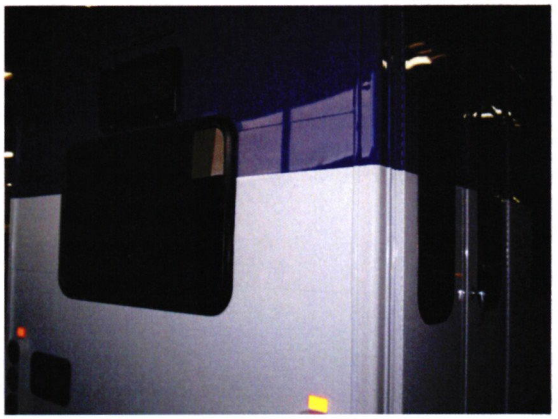


These buses are gasoline powered and are (or will be) equipped with wheelchair lifts, exterior bicycle racks with two-bike capacity, Luminator digital headsigns, Diamond fareboxes, Motorola two-way radios linked to Sacramento County Regional Radio System, as well as Mobile Data Computers, digital video camera systems, and Clever Devices automated stop announcement and passenger counting systems.



Inside, the vehicles contain five pair of fixed seats and three pair of flip seats that can be stowed to accommodate passengers in wheelchairs. This seating configuration offers capacity for two passengers in wheelchairs and 10 ambulatory passengers, or up to 16 ambulatory passengers on the same vehicle.

While our cost proposal is based on the buses shown, RT alternatively could provide hybrid electric vehicles through its participation in a purchasing consortium that currently is acquiring three such models for RT. The consortium plans to award a contract to a manufacturer in March and delivery of the new buses is expected by Fall 2009.



If the City is interested in the hybrids rather than gasoline engines, RT is willing to renegotiate our price proposal to dedicate two of these vehicles to the Rancho Cordova Shuttle. Deploying hybrid electric buses that are distinctively branded and decaled surely would bring even greater visibility to this new service.

Providing adequate spare vehicle capacity is an important part of our capital plan for this project. RT maintains a 20% spare capacity fleet-wide per FTA regulatory guidance. We will utilize our newest Neighborhood Ride buses as spares for the Rancho Cordova service as necessary to guarantee daily service and support a sustainable preventive maintenance inspection program. We anticipate that two buses branded specifically for Rancho Cordova will be assigned to weekday service. However, in the event of a mechanical problem or other need to pull the regular bus from service, RT will temporarily provide service with a Neighborhood Ride bus. Should circumstances dictate that a regular Rancho Cordova bus must be removed from revenue service for an extended period of time, RT will consider rebranding one of RT's Neighborhood Ride buses.

## Garage Facilities and Equipment

RT owns and operates two bus garages and a rail yard to support operating and maintenance functions. Our main bus facility is adjacent to our administrative offices at 29th and N Streets in midtown Sacramento. The CBS facility is located at 3701 Dudley Boulevard in McClellan Park. Our proposal makes use of both to ensure the best possible service quality for Rancho Cordova. Shuttle operators will be assigned, monitored and assisted by CBS Dispatchers and Road Supervisors in McClellan Park. This will ensure that the new service receives a higher level of oversight than would be possible at our much larger midtown operating facility. However, shuttle buses will be serviced, maintained and garaged at the main bus facility in

midtown. This location is closer to Rancho Cordova and the two new buses can be absorbed easily into main shop processes with the assurance of no start-up "hiccups" to detract from the rollout of a promising new service.

# 4. Transportation Operations

Dispatching, radio control and road supervision will occur as integrated functions within the Community Bus Service Division.

## Dispatch and Radio Control

The CBS Dispatch Office is staffed from 5:00am through 8:00pm on weekdays, and between 8:00am and 5:00pm on Saturdays. The Dispatcher on duty will be responsible for communicating via mobile data computer and two-way radio with operators running the Rancho Cordova shuttle routes. Additionally, the Dispatcher monitors bus location and adherence to schedule using the CAD/AVL system. Effective dispatching requires regular contact with operators to provide support in the event of accident, traffic jam, mechanical difficulty or other situation. RT dispatchers are trained to respond quickly when a mechanic, tow truck, spare bus or road supervisor is required at the scene. Our staff relies on established procedures to guarantee that Rancho Cordova operators and buses are where they are scheduled to be – every time. CBS operators assigned to the Rancho Cordova service will be required to check in at 29$^{th}$ and N Streets well ahead of their shifts. Extraboard coverage will be provided to support established service quality standards.

## Road Supervision

RT has a major advantage with our complement of experienced Road Supervisors who are deployed around the RT service area whenever vehicles are in revenue service. They are the eyes and ears of operations management; the first responders at accidents and incidents; and coordinators with other agencies in the emergency management chain. We provide maximum coverage in the field during peak hours when the Rancho Cordova Shuttle will be in service. As a result, at least one Road Supervisor will nearly always be in or near Rancho Cordova. RT Road Supervisors are deployed in marked cars that are visible to RT drivers, customers and the general public. RT supervisors are trained to coach and mentor in addition to monitoring conditions and correcting problems. They perform a range of critical tasks, including front-line customer relations, accident investigation and running time analysis

## Data Collection and Reporting

Data collection and reporting are key administrative tasks within the operations function. The buses deployed in Rancho Cordova are equipped with Automatic Passengers Counters (APC) that collect ridership and on-time performance information at the bus stop level. The data from this system is downloaded via WiFi each night and stored on RT's servers for later analysis and reporting. The buses are also equipped with Mobile Data Computers (MDC's) which allow

drivers to see route maps, the route schedule and communications from Dispatch. The MDC's also allow the driver to collect passenger counts by fare type, and transmit that data to RT's servers for later analysis and reporting. All other operating data are recorded manually and entered into our system by staff. Any and all of this data will be available to the City through our Scheduling Department.

## Customer Service

Given the more intimate scale of our CBS Division, RT proposes to integrate the telephone information function into Dispatch rather than routing calls into our main customer information center. In fact, no one is closer to prevailing schedule conditions than our dispatchers; hence they supply best available information to customers who call for boarding and travel time information. RT will offer telephone information whenever a Dispatcher is on duty; well beyond the minimum requirements of the RFP. All incoming calls to Dispatch are recorded as standard operating practice.

We will provide dedicated lines to handle incoming calls about the Rancho Cordova service, and conform to the City's wishes relative to directory listing of the telephone information numbers. CBS Dispatchers will be aware when the Rancho Cordova line is ringing and they answer each call in a professional manner.

Customer comments received via telephone will be logged into a common tracking system used by all RT operating divisions. Once entered, each complaint is followed by the Customer Advocacy Department to ensure it is directed to and resolved by the appropriate RT department(s). Customer complaints that arrive by mail or RT's web page will be routed to Customer Advocacy for entry into the tracking system and processed in the same manner.

RT will deliver Rancho schedules and brochures throughout the RT service at appropriate existing RT info outlets, as needed. RT already has a system in place to distribute info and fare media throughout Sacramento County, and will readily provide the same service for the Rancho Cordova Shuttle. Schedules and brochures will also be distributed by mail upon request from callers and emails. RT is pleased to work with the City on providing these items in new and creative ways as well, including via the Internet using both RT and City web sites, as well as other links to other sites as appropriate.

RT is excited to offer two new customer services that have been in development for the last year. The first will enable transit customers to obtain real-time schedule information via the RT website. Our Information Technology Department is working to stream vehicle location data from our CAD/AVL system to the RT website and display the results on a Google map of Sacramento. Users will be able to select the Rancho Cordova Shuttle as they would any other bus route or rail line in the system. The second new customer service is the *Transit Alert* system, which will enable users to subscribe to receive text messages from RT Dispatch containing alerts for particular routes, service days and time periods of interest. CBS

Dispatchers will generate route-specific alerts to advise users of delays caused by accidents, traffic jams, or mechanical problems. *Transit Alert* is a free service requiring users only to enter their e-mail address and/or cell phone number via the RT web site.

# 5. Vehicle Maintenance

Most of the servicing, maintenance and repair of the Rancho Cordova buses will take place at our main bus facility in midtown Sacramento. RT's Bus Maintenance Department employs 125 fulltime persons to handle our fleet of 236 revenue vehicles and over 100 support vehicles. The department is staffed 24 hours a day, seven days a week, 365 days a year including holidays. We do most work in-house, including engine overhauls, body work, painting and upholstery work. We service and inspect all revenue vehicles on a nightly basis, and buses are washed and cleaned on premises in our two bus wash racks. All buses are stored overnight in secure parking areas adjacent to our main shop.

## Maintenance Staff

The Bus Maintenance Department is led by the Director of Bus Maintenance, who reports directly to Chief Operating Officer. The Director is supported by a Maintenance Superintendent, a Maintenance Trainer and nine Maintenance Supervisors who provide front line supervision for all shifts. The Department also contains three full-time administrative employees who handle record keeping and payroll duties.

Most of the rank-and-file staff is represented by International Brotherhood of Electrical Workers (IBEW) Local 1245 in collective bargaining matters. Our 110 represented employees are distributed among nine position classifications:

- Electronic Mechanic A
- Gas/Propane Mechanic A
- Mechanic A (Body/Fender)
- Mechanic A (Painter)
- Bus Mechanic A
- Bus Mechanic B
- Bus Mechanic C
- Upholsterer
- Bus Service Worker

## Practices and Procedures

Department staff already is fully trained and knowledgeable to care for the Rancho Cordova buses as proposed. The Bus Maintenance Department currently is responsible for all 20 Community Bus Service (CBS) vehicles, including 2100, 2200, and 2700 series fleet types.

These are a mix of El Dorado, Goshen, and Starcraft cutaway units fixed to a Ford E-450 chassis, similar to or same as those proposed for the Rancho Cordova Commuter Shuttle.

We encourage the use of best practices while supporting job advancement for our employees by offering a 36-month, hands-on training program for advancement to journeyman-level mechanic classifications. There are currently three trainees participating in this program, and a number of long-time mechanics are graduates of the program.

As with all vehicles maintained by the Bus Maintenance Department, CBS vehicles are included in the Preventive Maintenance (PM) Program that adheres to manufacturers guidelines, industry standards, and Department maintenance practices outlined in Standard Operating Procedure MT-SOP-09-001 (revision 02/02/09-C). Copies of forms and checklists used by RT staff during the maintenance process are provided in Appendix B. All Preventive Maintenance (PM) Inspections directly reflect manufacturer requirements and specifications, and are scheduled and completed to meet or exceed required minimums. PM inspections are performed on all fleet-types, as outlined: Fleet Types Lift PM Farebox PM Sched. Maint PM Tune-Up 2100 El Dorado, 60 & 180 Days 185 & 365 Days 5k, 15k, 30k, & 100k; 2200 Goshen, & 60k.

# 6. Planning, Marketing & Administrative Support

RT professional planners and marketing staff stand ready to assist RT Operations and Maintenance Departments and the City with a highly successful rollout of Commuter Shuttle service, as well as its ongoing promotion, monitoring and continuous improvement.

## Service Planning and Scheduling

RT Service Planners and Schedulers work together on a well defined service development process that draws on customer feedback and accurate ridership and running time data to design effective routes and schedules. Our staff have decades of accumulated experience with routing, scheduling, timing, run cutting, bus stops, geo-coding routes and stops for digital maps and AVL systems. RT is excited about working with the City in improving, changing or adding to the Shuttle routes as needed. We plan to closely monitor and evaluate the shuttle on an ongoing basis to ensure the long-term success of local public transit service in Rancho Cordova.

Among the service options that the City may want to explore over time is deviated fixed route service. Several RT Community Bus routes currently allow eligible customers to call ahead for a pick-up or drop-off deviation involving specific addresses located within a pre-determined distance from the published route. Route deviation service combines the relative efficiency of a fixed route and the flexibility of demand response into a single service. As noted earlier, the buses proposed for use on the Commuter Shuttle will be equipped with the same Mobile Data Computers as the rest of RT's Neighborhood Ride buses. These components facilitate the scheduling of deviations by enabling dispatchers and bus operators to communicate digitally without the need for lengthy radio discussions or stopping the bus to write down dispatch instructions. Integrating this operating strategy into the City's Commuter Shuttle program would not be difficult; however, it would require agreement concerning headways and allowance time in the route cycle to accommodate deviations when requested. Rules and guidelines concerning eligibility for deviation service, maximum allowable distance from the fixed route, and possibly other parameters also would need to be developed. RT stands ready to work with the City to provide route deviation or other innovative service variations to the extent the City is interested.

## Marketing

RT has a full-service Marketing Department led by a Director reporting directly to Alane Masui, our Assistant General Manager of Marketing and Communication. We are prepared to assist the City as needed to promote the new service effectively. For example, we can help to design printed timetables, rider information and advertisements, design promotional campaigns, and

conduct market research customized to the particular interests of the City and its funding partners.

## Revenue Accounting

RT will be responsible for collecting and accounting for farebox revenues consistent with the requirements of the RFP. We propose to empty the Shuttle fareboxes at the McClellan facility and store the fareboxes in a secure vault at the facility that is separate from the vault used for fareboxes for other RT buses. We will utilize Diamond tamper-resistant fareboxes that prevent access to the money inside until opened by authorized Revenue Counters. The vaults holding the fareboxes are secure and monitored by video camera and under continuous surveillance. The fareboxes are collected by a specialized RT vehicle with RT Police escort and taken to RT's Revenue Center at 29th and N Streets. The revenue is counted with multiple cross-checks by RT's Revenue Department staff. No employee is ever left alone in the Center, and the Center is always under surveillance by multiple video cameras. The funds for the City will be counted separately and will then be deposited into an account specified by the City.

Additional accounting for City revenue will be provided by passenger counts and tallies of passengers by fare type. These reports will be supplied as requested by City staff.

## Invoicing

We propose to invoice promptly each month upon conclusion of the preceding month of service. RT may require up to 30 days to assemble all reports required to substantiate our invoices. Overall, RT is willing to provide reports as requested by the City to support our invoices, including NTD and other reports required by funding entities and grants. We are confident that the particulars as to report format, content and frequency can be negotiated as we go.

# 7. Cost Proposal

Our cost proposal is provided in this section as Form 1.1 (Appendix G) per the requirements of the RFP. As summarized in the following table, the total cost for operating Route 1 during the initial three contract years is $565,715.84. Alternatively, the cost for operating Route 2 over the same time period is $679,729.58.

| Year | Route 1 | Route 2 |
|---|---|---|
| One – 2009-10 | $184,894.97 | $222,025.74 |
| Two – 2010-11 | $188,080.97 | $225,954.35 |
| Three – 2011-12 | $192,739.90 | $231,749.49 |
| Total | $565,715.84 | $679,729.58 |

We would like to reiterate our commitment to negotiating further cost reductions favorable to the City by suggesting adjustments to RFP and contract conditions that would allow RT to supply equivalent or better service at a lower overall cost. We believe there are a number of areas where economy of scale savings may be realized through further integration of the Shuttle service into RT's larger operations. Additionally, RT would prefer to establish a process to renegotiate fuel cost reimbursement in the event that the price of gasoline surpasses $3.25 per gallon.

# 8. Service Start-up

As indicated throughout our technical proposal, RT has the personnel, facilities and organizational stability to begin operating Commuter Shuttle service within weeks following contract award and successful completion of final negotiations to the full satisfaction of the City. We recommend a start-up date of Monday, May 4, 2009 or anytime thereafter at the convenience of the City. This date assures that the proposed vehicles will be fully outfitted with video security cameras and bus stop annunciation systems. If an earlier implementation date is preferred, RT is prepared do everything possible to accommodate the City's transportation needs.

## COST PROPOSAL - Route 1

| City of Rancho Cordova Transit Commuter Service for Potential Route 1 (Form Revised 2/20/09) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Column | A | B | C | D | E | F | G | H | I | J |
| Line | Formula Component | Year ONE 5/1/09-6/30/10 | Year TWO 7/1/10-6/30/11 | Year THREE 7/1/11-6/30/12 | Year FOUR Optional 7/1/12-6/30/13 | Year FIVE Optional 7/1/13-6/30/14 | Year SIX Optional 7/1/14-6/30/15 | Year SEVEN Optional 7/1/15-6/30/16 | Year EIGHT Optional 7/1/16-6/30/17 | Year NINE Optional 7/1/17-6/30/18 | Year TEN Optional 7/1/18-6/30/19 |
| | **PRICING SUMMARY** | | | | | | | | | | |
| 1 | Revenue Vehicle Mileage rates as per paragraph 5(a) of Agreement[1] (from Line 12) | $5.57 | $5.68 | $5.85 | $6.03 | $6.21 | $6.39 | $6.59 | $6.78 | $6.99 | $7.20 |
| 2 | Projected Annual Revenue Vehicle Miles[1] | 24,877 | 24,877 | 24,877 | 24,877 | 24,877 | 24,877 | 24,877 | 24,877 | 24,877 | 24,877 |
| 3 | **Annual Revenue Vehicle Mileage Costs** (Multiply Lines 1 and 2 for Columns A - J) | $138,564.89 | $141,336.19 | $145,576.27 | $149,943.56 | $154,441.87 | $159,075.12 | $163,847.38 | $168,762.80 | $173,825.68 | $179,040.45 |
| 4 | **Annual Fixed Costs** (from Line 50) | $46,330.08 | $46,744.78 | $47,163.63 | $47,586.66 | $48,013.93 | $48,445.47 | $48,881.33 | $49,321.54 | $49,766.15 | $50,215.22 |
| 5 | **Total Annual Costs** (Line 3 + Line 4) | $184,894.97 | $188,080.97 | $192,739.90 | $197,530.23 | $202,455.80 | $207,520.60 | $212,728.70 | $218,084.34 | $223,591.84 | $229,255.67 |
| | **ELEMENTS OF REVENUE VEHICLE MILEAGE RATE** | | | | | | | | | | |
| 6 | Operator Wages | $2.53 | $2.58 | $2.66 | $2.74 | $2.82 | $2.90 | $2.99 | $3.08 | $3.17 | $3.27 |
| 7 | Operator Fringe Benefits | $1.87 | $1.91 | $1.96 | $2.02 | $2.08 | $2.15 | $2.21 | $2.28 | $2.35 | $2.42 |
| 8 | Operating Cost | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) |
| 9 | All Maintenance Expenses (including fluids, lubricants and cleaning) | $1.17 | $1.19 | $1.23 | $1.27 | $1.30 | $1.34 | $1.38 | $1.42 | $1.47 | $1.51 |
| 10 | Vehicle Cleaning | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) |
| 11 | Insurance Cost per Section of 26 of Agreement | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) |
| 12 | Subtotal Mileage Rate (Add Lines 6-11 for Columns A - J)[1] | $5.57 | $5.68 | $5.85 | $6.03 | $6.21 | $6.39 | $6.59 | $6.78 | $6.99 | $7.20 |

## COST PROPOSAL - Route 1

| ELEMENTS OF MONTHLY FIXED COST<br>*Cost should reflect average monthly incremental costs for each line item.* | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 13 | Contract Project Manager Salary | $333.33 | $336.66 | $340.03 | $343.43 | $346.86 | $350.33 | $353.84 | $357.37 | $360.95 | $364.56 |
| 14 | Contract Project Manager Fringes | $246.67 | $249.14 | $251.63 | $254.14 | $256.69 | $259.25 | $261.85 | $264.46 | $267.11 | $269.78 |
| 15 | Operation Supervisor Salary | $283.33 | $286.16 | $289.02 | $291.92 | $294.83 | $297.78 | $300.76 | $303.77 | $306.81 | $309.87 |
| 16 | Operation Supervisor Fringes | $209.67 | $211.77 | $213.88 | $216.02 | $218.18 | $220.37 | $222.57 | $224.79 | $227.04 | $229.31 |
| 17 | Maintenance Supervisor Salary | $62.10 | $62.72 | $63.35 | $63.98 | $64.62 | $65.27 | $65.92 | $66.58 | $67.25 | $67.92 |
| 18 | Maintenance Supervisor Fringes | $21.11 | $21.32 | $21.53 | $21.75 | $21.97 | $22.19 | $22.41 | $22.63 | $22.86 | $23.09 |
| 19 | Dispatch Office Staff Wages | $1,110.00 | $1,121.10 | $1,132.31 | $1,143.63 | $1,155.07 | $1,166.62 | $1,178.29 | $1,190.07 | $1,201.97 | $1,213.99 |
| 20 | Dispatch Office Staff Fringes | $821.40 | $829.61 | $837.91 | $846.29 | $854.75 | $863.30 | $871.93 | $880.65 | $889.46 | $898.35 |
| 21 | Other Staff | $147.00 | $148.47 | $149.95 | $151.45 | $152.97 | $154.50 | $156.04 | $157.60 | $159.18 | $160.77 |
| 22 | Other Staff Fringes | $108.53 | $109.62 | $110.71 | $111.82 | $112.94 | $114.07 | $115.21 | $116.36 | $117.52 | $118.70 |
| 23 | Road Supervisor Staff Wages | $55.00 | $55.55 | $56.11 | $56.67 | $57.23 | $57.81 | $58.38 | $58.97 | $59.56 | $60.15 |
| 24 | Road Supervisor Staff Fringes | $40.70 | $41.11 | $41.52 | $41.93 | $42.35 | $42.78 | $43.20 | $43.64 | $44.07 | $44.51 |
| 25 | Hiring/Training Expenses | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis |
| 26 | Other Maintenance Wages | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 27 | Other Maintenance Wages | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 28 | Safety Expenses | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis |
| 29 | Safety Fringes | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 30 | Non-Vehicle Insurance | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) |
| 31 | Office Expenses | $10.00 | $10.10 | $10.20 | $10.30 | $10.41 | $10.51 | $10.62 | $10.72 | $10.83 | $10.94 |
| 32 | Uniform Expense | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) |
| 33 | Letter of Credit | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) |

## COST PROPOSAL - Route 1

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 34 | Other Expenses | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 35 | Safety Expenses | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) |
| 36 | Contract Overhead Expenses | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 37 | Safety Expenses | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) |
| 38 | Facility Maintenance Expense | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 39 | Electric | $2.00 | $2.02 | $2.04 | $2.06 | $2.08 | $2.10 | $2.12 | $2.14 | $2.17 | $2.19 |
| 40 | Gas | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 41 | Phone Equipment/Service | $5.00 | $5.05 | $5.10 | $5.15 | $5.20 | $5.26 | $5.31 | $5.36 | $5.41 | $5.47 |
| 42 | Other Utilities | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 43 | Electronic Fareboxes *(if proposed)* | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 44 | Automated Stop Announcement System | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 |
| 45 | Security Cameras | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 |
| 46 | Automatic Vehicle Locator System | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) |
| 47 | Bicycle Racks | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 |
| 48 | Monthly Profit | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 49 | Monthly Subtotal (Add Lines 13 - 48 for Columns A - J) | $3,860.84 | $3,895.40 | $3,930.30 | $3,965.56 | $4,001.16 | $4,037.12 | $4,073.44 | $4,110.13 | $4,147.18 | $4,184.60 |
| 50 | Annual Subtotal (Multiply Line 49 by 12 for Columns A - J) | $46,330.08 | $46,744.78 | $47,163.63 | $47,586.66 | $48,013.93 | $48,445.47 | $48,881.33 | $49,321.54 | $49,766.15 | $50,215.22 |

Footnotes

[1]Mileages exclude non-revenue miles.

[2]If insurance renewal dates differ from the proposal year, please indicate when renewal is due.

## COST PROPOSAL - Route 2

| City of Rancho Cordova Transit Commuter Service for Potential Route 2 (Form Revised 2/20/09) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Column | A | B | C | D | E | F | G | H | I | J |
| Line | Formula Component | Year ONE 5/1/09-6/30/10 | Year TWO 7/1/10-6/30/11 | Year THREE 7/1/11-6/30/12 | Year FOUR Optional 7/1/12-6/30/13 | Year FIVE Optional 7/1/13-6/30/14 | Year SIX Optional 7/1/14-6/30/15 | Year SEVEN Optional 7/1/15-6/30/16 | Year EIGHT Optional 7/1/16-6/30/17 | Year NINE Optional 7/1/17-6/30/18 | Year TEN Optional 7/1/18-6/30/19 |
| | **PRICING SUMMARY** | | | | | | | | | | |
| 1 | Revenue Vehicle Mileage rates as per paragraph 5(a) of Agreement[1] (from Line 12) | $5.37 | $5.48 | $5.64 | $5.81 | $5.99 | $6.16 | $6.35 | $6.54 | $6.74 | $6.94 |
| 2 | Projected Annual Revenue Vehicle Miles[1] | 32,718 | 32,718 | 32,718 | 32,718 | 32,718 | 32,718 | 32,718 | 32,718 | 32,718 | 32,718 |
| 3 | **Annual Revenue Vehicle Mileage Costs** (Multiply Lines 1 and 2 for Columns A - J) | $175,695.66 | $179,209.57 | $184,585.86 | $190,123.44 | $195,827.14 | $201,701.95 | $207,753.01 | $213,985.60 | $220,405.17 | $227,017.33 |
| 4 | **Annual Fixed Costs** (from Line 50) | $46,330.08 | $46,744.78 | $47,163.63 | $47,586.66 | $48,013.93 | $48,445.47 | $48,881.33 | $49,321.54 | $49,766.15 | $50,215.22 |
| 5 | **Total Annual Costs** (Line 3 + Line 4) | $222,025.74 | $225,954.35 | $231,749.49 | $237,710.10 | $243,841.07 | $250,147.42 | $256,634.34 | $263,307.14 | $270,171.32 | $277,232.54 |
| | **ELEMENTS OF REVENUE VEHICLE MILEAGE RATE** | | | | | | | | | | |
| 6 | Operator Wages | $2.42 | $2.47 | $2.54 | $2.62 | $2.70 | $2.78 | $2.86 | $2.95 | $3.04 | $3.13 |
| 7 | Operator Fringe Benefits | $1.78 | $1.82 | $1.87 | $1.93 | $1.98 | $2.04 | $2.10 | $2.17 | $2.23 | $2.30 |
| 8 | Operating Cost | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) |
| 9 | All Maintenance Expenses (including fluids, lubricants and cleaning) | $1.17 | $1.19 | $1.23 | $1.27 | $1.30 | $1.34 | $1.38 | $1.42 | $1.47 | $1.51 |
| 10 | Vehicle Cleaning | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) | (incl in 9) |
| 11 | Insurance Cost per Section of 26 of Agreement | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) |
| 12 | Subtotal Mileage Rate (Add Lines 6-11 for Columns A - J)[1] | $5.37 | $5.48 | $5.64 | $5.81 | $5.99 | $6.16 | $6.35 | $6.54 | $6.74 | $6.94 |

## COST PROPOSAL - Route 2

| | ELEMENTS OF MONTHLY FIXED COST<br>*Cost should reflect average monthly incremental costs for each line item.* | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 13 | Contract Project Manager Salary | $333.33 | $336.66 | $340.03 | $343.43 | $346.86 | $350.33 | $353.84 | $357.37 | $360.95 | $364.56 |
| 14 | Contract Project Manager Fringes | $246.67 | $249.14 | $251.63 | $254.14 | $256.69 | $259.25 | $261.85 | $264.46 | $267.11 | $269.78 |
| 15 | Operation Supervisor Salary | $283.33 | $286.16 | $289.02 | $291.92 | $294.83 | $297.78 | $300.76 | $303.77 | $306.81 | $309.87 |
| 16 | Operation Supervisor Fringes | $209.67 | $211.77 | $213.88 | $216.02 | $218.18 | $220.37 | $222.57 | $224.79 | $227.04 | $229.31 |
| 17 | Maintenance Supervisor Salary | $62.10 | $62.72 | $63.35 | $63.98 | $64.62 | $65.27 | $65.92 | $66.58 | $67.25 | $67.92 |
| 18 | Maintenance Supervisor Fringes | $21.11 | $21.32 | $21.53 | $21.75 | $21.97 | $22.19 | $22.41 | $22.63 | $22.86 | $23.09 |
| 19 | Dispatch Office Staff Wages | $1,110.00 | $1,121.10 | $1,132.31 | $1,143.63 | $1,155.07 | $1,166.62 | $1,178.29 | $1,190.07 | $1,201.97 | $1,213.99 |
| 20 | Dispatch Office Staff Fringes | $821.40 | $829.61 | $837.91 | $846.29 | $854.75 | $863.30 | $871.93 | $880.65 | $889.46 | $898.35 |
| 21 | Other Staff | $147.00 | $148.47 | $149.95 | $151.45 | $152.97 | $154.50 | $156.04 | $157.60 | $159.18 | $160.77 |
| 22 | Other Staff Fringes | $108.53 | $109.62 | $110.71 | $111.82 | $112.94 | $114.07 | $115.21 | $116.36 | $117.52 | $118.70 |
| 23 | Road Supervisor Staff Wages | $55.00 | $55.55 | $56.11 | $56.67 | $57.23 | $57.81 | $58.38 | $58.97 | $59.56 | $60.15 |
| 24 | Road Supervisor Staff Fringes | $40.70 | $41.11 | $41.52 | $41.93 | $42.35 | $42.78 | $43.20 | $43.64 | $44.07 | $44.51 |
| 25 | Hiring/Training Expenses | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis |
| 26 | Other Maintenance Wages | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 27 | Other Maintenance Wages | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 28 | Safety Expenses | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis | de minimis |
| 29 | Safety Fringes | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 30 | Non-Vehicle Insurance | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) | (self-insured) |
| 31 | Office Expenses | $10.00 | $10.10 | $10.20 | $10.30 | $10.41 | $10.51 | $10.62 | $10.72 | $10.83 | $10.94 |
| 32 | Uniform Expense | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) | (included in hourly) |
| 33 | Letter of Credit | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) | (no addtnl cost) |

## COST PROPOSAL - Route 2

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 34 | Other Expenses | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 35 | Safety Expenses | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) |
| 36 | Contract Overhead Expenses | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 37 | Safety Expenses | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) | (duplicate) |
| 38 | Facility Maintenance Expense | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 39 | Electric | $2.00 | $2.02 | $2.04 | $2.06 | $2.08 | $2.10 | $2.12 | $2.14 | $2.17 | $2.19 |
| 40 | Gas | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 41 | Phone Equipment/Service | $5.00 | $5.05 | $5.10 | $5.15 | $5.20 | $5.26 | $5.31 | $5.36 | $5.41 | $5.47 |
| 42 | Other Utilities | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 43 | Electronic Fareboxes *(if proposed)* | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 44 | Automated Stop Announcement System | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 | $300.00 |
| 45 | Security Cameras | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 |
| 46 | Automatic Vehicle Locator System | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) | (same as Stop Ann. Sys.) |
| 47 | Bicycle Racks | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 | $5.00 |
| 48 | Monthly Profit | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| 49 | Monthly Subtotal (Add Lines 13 - 48 for Columns A - J) | $3,860.84 | $3,895.40 | $3,930.30 | $3,965.56 | $4,001.16 | $4,037.12 | $4,073.44 | $4,110.13 | $4,147.18 | $4,184.60 |
| 50 | Annual Subtotal (Multiply Line 49 by 12 for Columns A - J) | $46,330.08 | $46,744.78 | $47,163.63 | $47,586.66 | $48,013.93 | $48,445.47 | $48,881.33 | $49,321.54 | $49,766.15 | $50,215.22 |

Footnotes

[1]Mileages exclude non-revenue miles.

[2]If insurance renewal dates differ from the proposal year, please indicate when renewal is due.

# MEMORANDUM

**DATE:** April 6, 2009

**TO:** Honorable Mayor and Council Members

**FROM:** Jeffrey S. Beiswenger, AICP, Senior Planner
Paul Junker, AICP, Planning Director

**SUBJECT:** **DESIGN REVIEW BOARD – FOLSOM BOULEVARD SPECIFIC PLAN EXPEDITED REVIEW**

## RECOMMENDATION

Staff recommends that the City Council authorize the preparation of updates to the Municipal Code to create a Design Review Board (DRB) for projects within the Folsom Boulevard Specific Plan and to initiate the recruitment process for DRB members.

## RESULT OF RECOMMENDED ACTION

Council authorization will allow staff to prepare updates to the Municipal Code to establish the Folsom Boulevard Design Review Board. Specific changes to the Municipal Code will be considered and acted upon by the City Council at a future meeting. Council authorization will also allow staff to begin soliciting applications from qualified design professionals to serve on the DRB.

## BACKGROUND

The Folsom Boulevard Specific Plan identifies the creation of a Design Review Board as a mechanism to help expedite development. Staff envisions a DRB that keeps decision-makers active in the design review process and incorporates design expertise. The City Council and Planning Commission have shown a strong interest in direct involvement in the design approval process. Therefore, it is recommended that representatives from both these bodies serve on the DRB. Based on our research, direct City Council representation on a design review body is not typical, but representation from the Planning Commission is very common.

### *What are the specifications for the DRB in the Folsom Boulevard Specific Plan?*

The Folsom Boulevard Specific Plan is designed to help reinvent the Boulevard as a great PLACE. The creation of a Design Review Board is predicated on the idea that quality development projects that contribute to the Boulevard vision should be rewarded with accelerated review. The DRB accomplishes this by replacing the existing two public hearings required for design review (Planning Commission hearing followed by a City Council hearing). Also the DRB could meet "as needed" (after the required notice has been posted) – eliminating some of the wait time for the *next* available regular Planning Commission or City Council hearing date. Review times could be shortened by at least six weeks.

The Folsom Boulevard Specific Plan provides the mechanism to create a DRB with the following characteristics:

- Final City decision for a *qualifying project*;
- Composed of a minimum of three members (one City Council, one Planning Commission and one design or planning professional);
- The board will be available to meet on an "as-needed" basis (to eliminate delays typical from a scheduled meeting);
- Projects would go to DRB within 30 days of a complete project submittal;
- Public noticing is required for DRB hearings;
- Nearby residents would be notified and allowed to comment and appeal; and
- Appeals of a DRB decision would go directly to City Council.

The following are answers to several questions that the City Council may have related to a Design Review Board.

***How does a project qualify for expedited review?***

A project must be a qualifying project as defined in Chapter VIII of the FBSP in order to go before the DRB. Qualifying projects are listed on the *Development "Wish List,"* of priority projects for Folsom Boulevard. These include projects that are within a Pulse Point, generate significant sales tax revenue or jobs; include innovative development concepts; and/or contain certain key land uses that fill the needs of the Rancho Cordova community (e.g. movie theater, bowling alley, community college).

The definition of a qualifying project is flexible and provides City Staff with some latitude to qualify projects for the DRB that strongly contribute to the Vision for Folsom Boulevard. The ideal location for projects considered for the DRB would be at Pulse Points.

***What other tools are available to expedite development?***

The DRB is only one tool of many to incentivize desirable development within the FBSP. Chapter VIII Planning Implementation lists several other tools that may be available (full list included in Appendix A). These range from streamlined internal staff review; fee deferrals; to direct financial assistance. Many of the tools to incentivize development come at no significant cost to the City, but others may have minor to significant fiscal impacts.

***Will anybody be interesting in serving on the DRB?***

Yes. Planning Staff has called about a dozen design professionals who have done projects in Rancho Cordova and all indicated an interest in potentially serving on the DRB once it is created. It is common for design professionals to provide this type of service to the community. The "as-needed" nature of the proposed DRB could pose a scheduling problem for some of the professionals and service on the DRB could be limited week-to-week. Alternative DRB members will be recruited to fill in when needed.

***What will potential developers think of the DRB?***

Staff believes that the availability of a DRB to hear projects will be an incentive to the development community since it will accomplish the following:

- Shorten the "wait time" for a public hearing by up to two weeks.
- Eliminate one public hearing, saving three to four weeks.
- Provide design expertise at the decision-making body (not just at staff level).

Based on interaction with design professionals and developers, the DRB should be viewed favorably if it can be demonstrated that the approval timeline will be abbreviated. Communicating that the DRB is as part of an overall effort to expedite review will help. Rancho Cordova has several mechanisms at the staff level to expedite development. For example, pre-application conferences are readily available at no charge to potential applicants. The City has also established a Development Services Team which is composed of representative of all City departments (and related outside agencies) to expedite internal processing.

***Do other jurisdictions have DRBs and how do they work?***

Cities and counties commonly use design boards and similar review bodies for projects. A few local examples include:

City of Roseville, Design Committee

*Composition:* Three members – two community representatives appointed by the City Council and one Planning Commissioner (plus a Planning Commission alternate).
*Schedule:* One a month.
*Authority:* Final decision on design review applications, sign program, and sign variance requests.

City of Sacramento, Design Commission

*Composition:* Seven members appointed by the City Council. All are currently residents of the City.
*Schedule:* One a month.
*Authority:* Final decision on design projects of major significance. Hear appeals of decision made by the Design Director.

Sacramento County, Community Planning Commissions (Arden Arcade, Carmichael, Fair Oaks, Rio Linda)

*Composition:* Seven members appointed by the Board of Supervisors.
*Schedule:* Once a month.
*Authority:* Final decision on certain design projects or recommendations to the Board of Supervisors for more complex projects.

City of Petaluma, Site Plan and Architecture Review Committee (SPARC)

*Composition:* Five members including one Planning Commissioner appointed by the City Council.
*Schedule:* Twice a month.
*Authority:* Final decision on design projects.

## RECOMMENDATIONS FOR THE DESIGN REVIEW BOARD

Described below are staff's recommendations for proceeding with the Folsom Boulevard DRB. If authorized by the Council, staff will prepare specific text revisions to the Municipal Code that will establish and guide the actions of the DRB. Municipal Code language for the DRB will be similar to the Planning Commission. Described below are some of the key issues that will be addressed in the Municipal Code and staff requests early comments from Council to guide preparation of draft language.

### DRB Composition

Staff recommends a five person DRB that has the following composition of members:

1. City Council representative. One alternate will be available in the case of a time commitment or a conflict of interest concern.

2. Planning Commission representative.

3. Planning Commission representative.
   (A third, alternative Planning Commission member could be identified to fill-in on an as-needed basis)

4. Architect. Expertise in building design. This position would be a rotating position based on the type of project and would include three architects that specialize in commercial, residential and mixed-use projects.

5. Site planning expert. Must have significant expertise in innovative urban site design. This expert could be an architect, landscape architect or planner. An alternative will be available.

The above DRB composition has the following advantages:

- Provides the Rancho Cordova community perspective with three decision-makers (one from the City Council and two from the Planning Commission).

- Provides a balance of architectural and site planning expertise with two design professionals from each discipline.

### Membership Selection and Terms

Staff recommends that the City Council select and appoint all members of the DRB. This would include identifying and appointing one member and one alternate from the City Council; two members and one alternate from the Planning Commission; and four design professionals (to serve on a rotation based on the type of project). Staff will

conduct recruitment and bring forward recommendations on the design professionals, but leave the final appointment to the City Council.

A two-year staggered term is recommended for those appointed to the DRB. Initial three members (one City Council Member, one Planning Commissioner and one Design Professional) would serve a one-year term, but would be eligible for reappointment.

**Meeting Schedule**

Staff proposes that the DRB not establish fixed meeting dates, but rather meet on an as needed basis to quickly respond to project applications.

**Notice of Action/Appeals**

Within one business day of action by the DRB, a notice of decision on the project would be forwarded to members of the City Council. Actions by the DRB would be considered final unless a request to appeal is received within ten (10) days of action by the DRB. If appealed, the City Council would serve as the reviewing body and would render a final decision on the requested action.

**Public Hearing/Noticing**

Applications before the DRB would be conducted as public hearings and therefore would be subject to normal hearing notice procedures. Property owners within 500 feet of a proposed project would receive mailed notice and the City would cause notice in the newspaper to be published. Meetings would allow for public comment consistent with typical public hearings.

**Staffing/Project Review Process**

Staffing and review of projects prior to DRB review would be similar to typical project reviews, with an emphasis placed on expediting the project review. The Development Services Team would conduct its multi-departmental/agency review to support the project analysis. Planning Department staff would prepare and submit for consideration a report on the proposed action.

## NEXT STEPS

Establishing the DRB will require two-steps:

1. Amend the Municipal Code to establish a DRB as a City design review approval body. A new Chapter would be added to Title 2 (Administration) and would include provisions related to board membership, terms, qualifications, duties, compensation and other necessary details.

2. Select DRB members from the City Council, Planning Commission and recruit and select DRB member from the design community.

## ATTACHMENT

Excerpts from the Folsom Boulevard Specific Plan: pages from Chapter III, Development Process & pages from Chapter VIII, Plan Implementation.

CITY OF RANCHO CORDOVA
THE BOULEVARD

# CHAPTER III
# DEVELOPMENT PROCESS

The FBSP utilizes a form-based code approach which is concerned with the interaction and relationship between the public realm (e.g. streets and transit facilities) and the private realm (e.g., buildings and related private property improvements). This chapter describes the development process for new public and private sector projects within the Plan Area, including the A.) Design Review process, the evaluation of B.) Development Capacity and Density Transfers and Bonuses, and the evaluation of C.) Integrated Developments within mixed use districts.

## A. DESIGN REVIEW

All development projects within the Plan Area are required to go through a Design Review process. The majority of projects will be required to follow the City's standard Design Review process; however, for projects that qualify, an Expedited Design Review process is available. The following sections describe both processes and how to qualify for Expedited Design Review.

### STANDARD DESIGN REVIEW

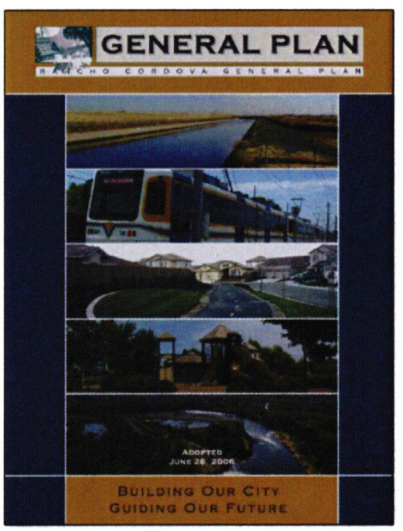
*The City's standard Design Review process is described in full detail in the City's Zoning Code; this section is a summary provided for convenience.*

The City's standard Design Review process requires a staff level review to determine compliance with the following requirements:

1) Implement the regulating plan by meeting the minimum form-based development standards, both of which can be found in Chapter IV - Private Realm: Land Use and Development Standards.

2) As applicable, implement improvements specified in Chapter V - Public Realm: Mobility and Chapter VI. Public Realm – Gateways and Streetscaping.

3) Meet or exceed the City of Rancho Cordova Design Guidelines, available as a separate document.



Because the City's Design Guidelines allow some flexibility in terms of design, a higher level of review is necessary. Upon completion of staff review, the project will be presented in a public hearing to the appropriate hearing body. The hearing bodies are the Planning Commission and City Council with the following review responsibilities:

- **Planning Commission** – The Planning Commission is the primary review body for residential design reviews, including residential site plans, landscape plans, and model home designs. The Planning Commission also makes recommendations to the City Council on commercial design review applications. Appeals go to the City Council.

- **City Council** – The City Council is the review body for commercial projects and the appeal body for all design review applications. The Planning Commission holds a public hearing on all commercial projects and makes a recommendation to the City Council.

## EXPEDITED DESIGN REVIEW

The City recognizes that its standard Design Review process can be cumbersome for applicants of small projects and may indirectly discourage potential applicants from bringing forward quality projects. The solution is not to waive Design Review but to allow for more expedited review, which ensures that quality projects are built without subjecting good projects to long approval processes. The Expedited Design Review was created for these kinds of projects. Projects that do not meet the requirements for an Expedited Design Review will follow the City's standard Design Review process.

The Expedited Design Review process is less discretionary than the standard Design Review process because projects that qualify for Expedited Design Review must meet all the objectives and standards contained within this Specific Plan.

To qualify for Expedited Design Review, a project must meet the following requirements:

1) Provide one or more of the Demand Projects listed in Chapter VIII - Implementation. Staff will make the determination whether or not a project falls within the Demand Projects "Wish List."

2) Implement the regulating plan by meeting the complete set of form-based development standards, both of which can be found in Chapter IV - Private Realm: Land Use and Development Standards. (Note: There are more restrictive development standards for projects that qualify for Expedited Design Review.

3) As applicable, implement improvements specified in Chapter V - Public Realm: Mobility and Chapter VI - Public Realm: Gateways and Streetscaping.

Because the Expedited Design Review process was created to reward qualifying projects with a shortened review time, projects will be heard by only one hearing body. Upon completion of staff review, the project will be presented in a public hearing to the Design Review Board. (Expedited Design Review will not be available until the Design Review Board has been established. Decision making authority should be vested with the City Council until formation of the Board.) The Design Review Board has the following review responsibilities:

- **Design Review Board** – The Expedited Design Review hearing body is the Design Review Board (DRB) – specially created to review projects that qualify for expedited review. The Board is

composed of a minimum of three members, and is recommended to include one Planning Commissioner, one City Councilmember, and one design or planning professional with a background in urban design. The board will meet on an as-needed basis to process applications in a timely manner. Board members are recommended by the City Manager and appointed by the City Council. Appeals of DRB decisions go to the City Council.

A qualifying project will be reviewed by the DRB within 30 days following completion of the project application. Public noticing is required for all DRB Hearings. Nearby residents are to be notified and allowed to comment and appeal. Appeals would be heard by the City Council.

## B. DEVELOPMENT CAPACITY AND DENSITY TRANSFER/BONUS

### GENERAL PLAN DEVELOPMENT POTENTIAL FOR FOLSOM BOULEVARD SPECIFIC PLAN

The land plan established for Folsom Boulevard expands development opportunities along the corridor. The property along the corridor currently has approximately 2,745 dwelling units, 35% of the 7,468 units expected at build-out. The Folsom Boulevard Specific Plan has been designed with a flexible density transfer system to be used in limited cases where additional dwelling units are needed to facilitate the construction of transit-oriented developments, construct parking structures, and accomplish other objectives that will help build vibrant mixed-use pulse points.

The Rancho Cordova General Plan Land Use Element establishes development potential for the entire General Plan Planning Area. The development potential is intended to provide a realistic development envelope for build-out as a percentage of the maximum development capacity for each land use category. Said another way, development potential reflects a likely development scenario consistent with the City's vision, rather than assuming all property develops at a maximum capacity. Development potential for this FBSP Project Area is assumed in the General Plan to be approximately 8,000 dwelling units as outlined below. This development potential serves as the target development or holding capacity for the Plan Area.

**Table III-1 General Plan Development Envelope**

| General Plan Planning Area | Dwelling Units Within FBSP |
|---|---|
| Folsom Boulevard Planning Area (within FBSP) | 6,000 |
| Downtown Planning Area (within FBSP) | 2,000 |
| Total | 8,000 |

### FOLSOM BOULEVARD SPECIFIC PLAN DENSITY TRANSFER AND DENSITY BONUS

The Folsom Boulevard Specific Plan implements the General Plan by establishing a more detailed land plan with parcel-level zoning designations and corresponding development standards. Consistent with the General Plan, this Specific Plan establishes allowable residential density ranges, then identifies the target (or likely) residential development assumption, which is less than the maximum allowable density. The fixed density assumption reflects an average development assumption given existing conditions and

- **Regional demand for the corridor's home materials businesses should continue to grow.** The expansion of this specialized kind of retail space should occur adjacent to existing development within the Sunrise pulse point.

- The development of at least one million square feet of office space throughout the Plan Area.

## C. SUMMARY OF DEMAND PROJECTS

### DEVELOPMENT "WISH LIST":

The following list of projects represents priority demand projects which have been identified by the City for **Folsom Boulevard's future desired development. City** staff will make the determination whether or not a **project falls within the "Wish List" below.**

Projects bringing to Rancho Cordova:

- A significant amount of generated sales tax revenue and or jobs.

- Innovative development proposals for key catalyst sites (as identified in the redevelopment plan); and/or

- The following land uses:

  - Movie theatre

  - Hotels

  - Bowling alley

  - Community college

  - Transit Oriented Development adjacent to LRT station

  - Mixed-Income Housing

  - High-end specialty retail

  - High-quality eating establishments

  - Hospital

  - **Catalyst Innovative concept, good design, green architecture, destination – landmark, sense of** place

  - Vertical commercial mixed-use development, including appropriate ground floor retail development

- In pulse points and other appropriate locations, include space in redeveloped projects to replace existing retail development
- Retail supporting business community
- Entertainment uses
- Zinfandel pulse point - Civic Center and Town Center development
- **Sunrise pulse point – convention vs. retail development**
- Convention center (within convention district)
- Any other use that strongly contributes to the Vision for Folsom Boulevard

**In addition to the above list of the City's desired priority development projects, the table below provides a** summary of projected demand for each of the evaluated land uses, as outlined in Appendix B, Residential, Retail and Office Growth Projections Memorandum by BAE.

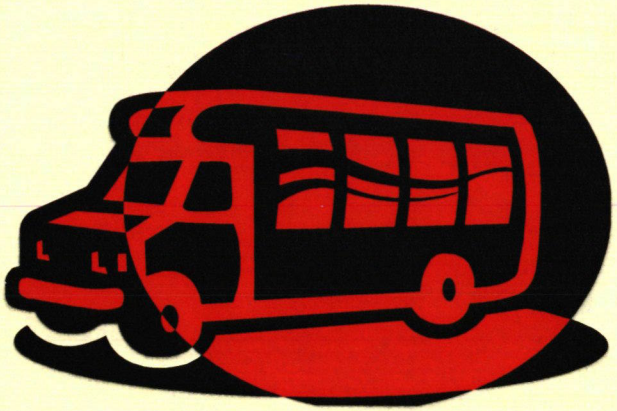
**Table VIII-1**
**Summary of Development Potentials 2005-2050**

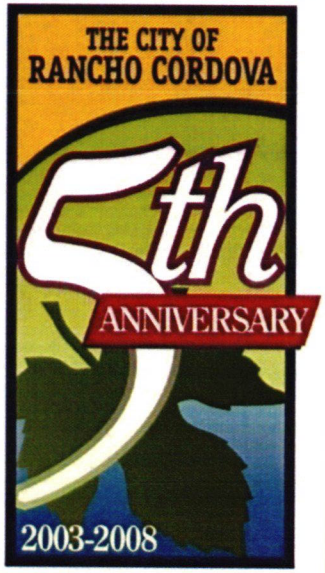
| Land Use | FBSP Area Demand for New Development | | | |
|---|---|---|---|---|
| | 2005-2010 | 2011-2025 | 2026-2050 | Total |
| **Residential** | | | | |
| Single-family (units) | 561 | 2,142 | 225 | 2,928 |
| Multi-family (units) | 433 | 2,384 | 1,163 | 3,980 |
| Total (units) | 994 | 4,526 | 1,388 | 6,908 |
| **Retail** | | | | |
| Neighborhood Centers (square feet) | 19,512 | 87,514 | 24,372 | 131,398 |
| Community Centers (square feet) | 16,823 | 75,452 | 21,016 | 113,291 |
| Regional Centers (square feet) | 21,148 | 94,852 | 26,417 | 142,417 |
| Specialty Centers (square feet) | 875 | 3,922 | 1,093 | 5,890 |
| Total (excluding auto) (square feet) | 58,358 | 261,743 | 72,895 | 392,996 |
| **Office** | | | | |
| Scenario 1: Folsom Boulevard TAZs – SACOG Blueprint Baseline (sq ft) | 547,722 | 2,364,112 | 1,564,224 | 4,476,058 |
| Scenario 2: Folsom Boulevard TAZs – Constant 2005 Share of Growth (sq ft) | 381,105 | 621,382 | 1,814,015 | 2,816,502 |

# City of Rancho Cordova

## Contracting for Rancho Cordova Shuttle Service

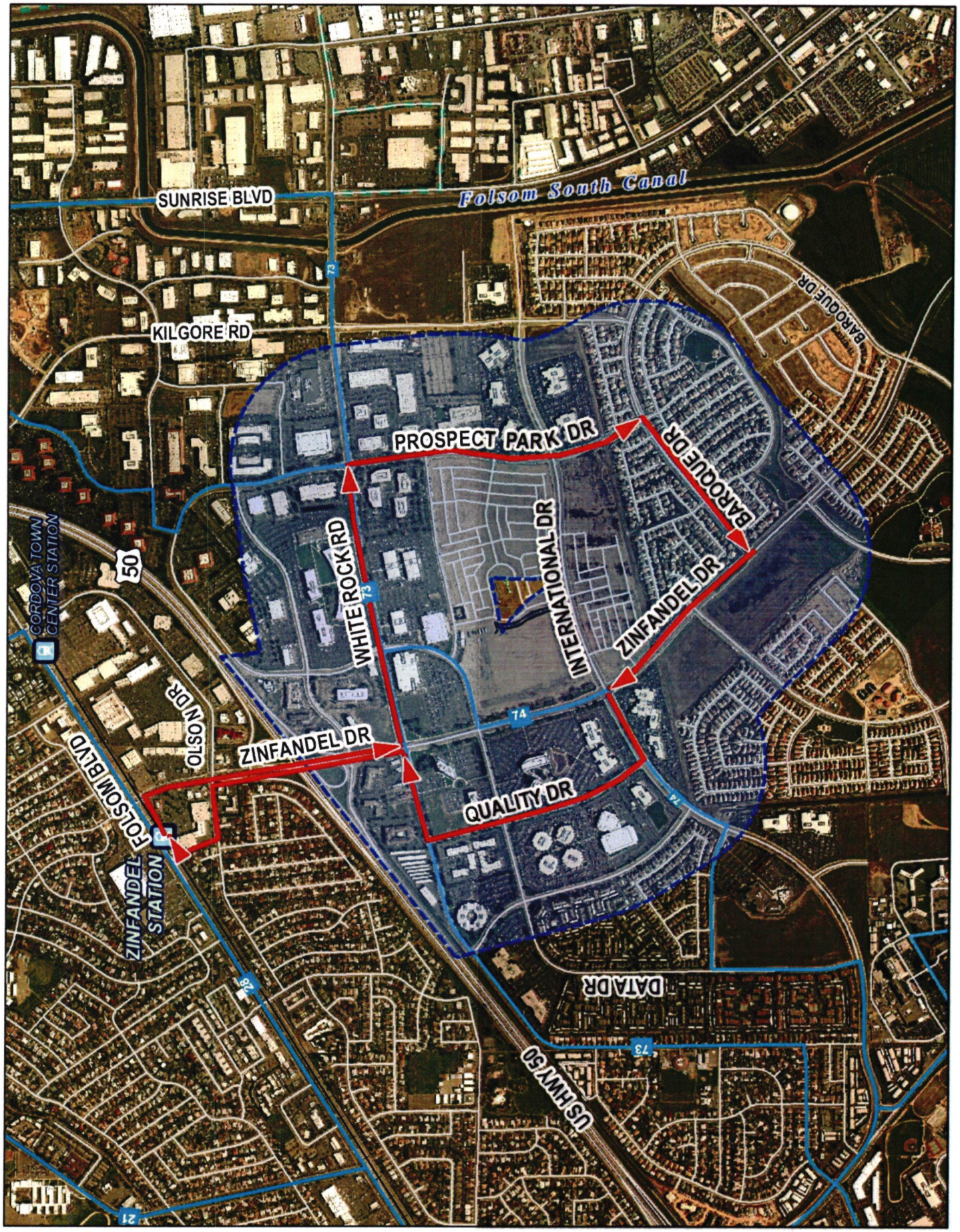
City Council Meeting
April 6, 2009





# Discussion Points

- **Requesting Approval** to authorize the City Manager to negotiate a Shuttle Service Contract with *Sacramento Regional Transit*
- **Background** on Shuttle Project, it's relationship to the Transit Master Plan
- Description of the contractor **Evaluation Process** and **Procurement Details**
- Progress on **Branding** for shuttle service


SUNRISE BLVD
Folsom South Canal
KILGORE RD
BAROQUE DR
PROSPECT PARK DR
BAROQUE DR
WHITE ROCK RD
INTERNATIONAL DR
ZINFANDEL DR
CORDOVA TOWN CENTER STATION
50
OLSON DR
ZINFANDEL DR
QUALITY DR
FOLSOM BLVD
ZINFANDEL STATION
DATA DR
US HWY 50
73
74
21

# Planning Context

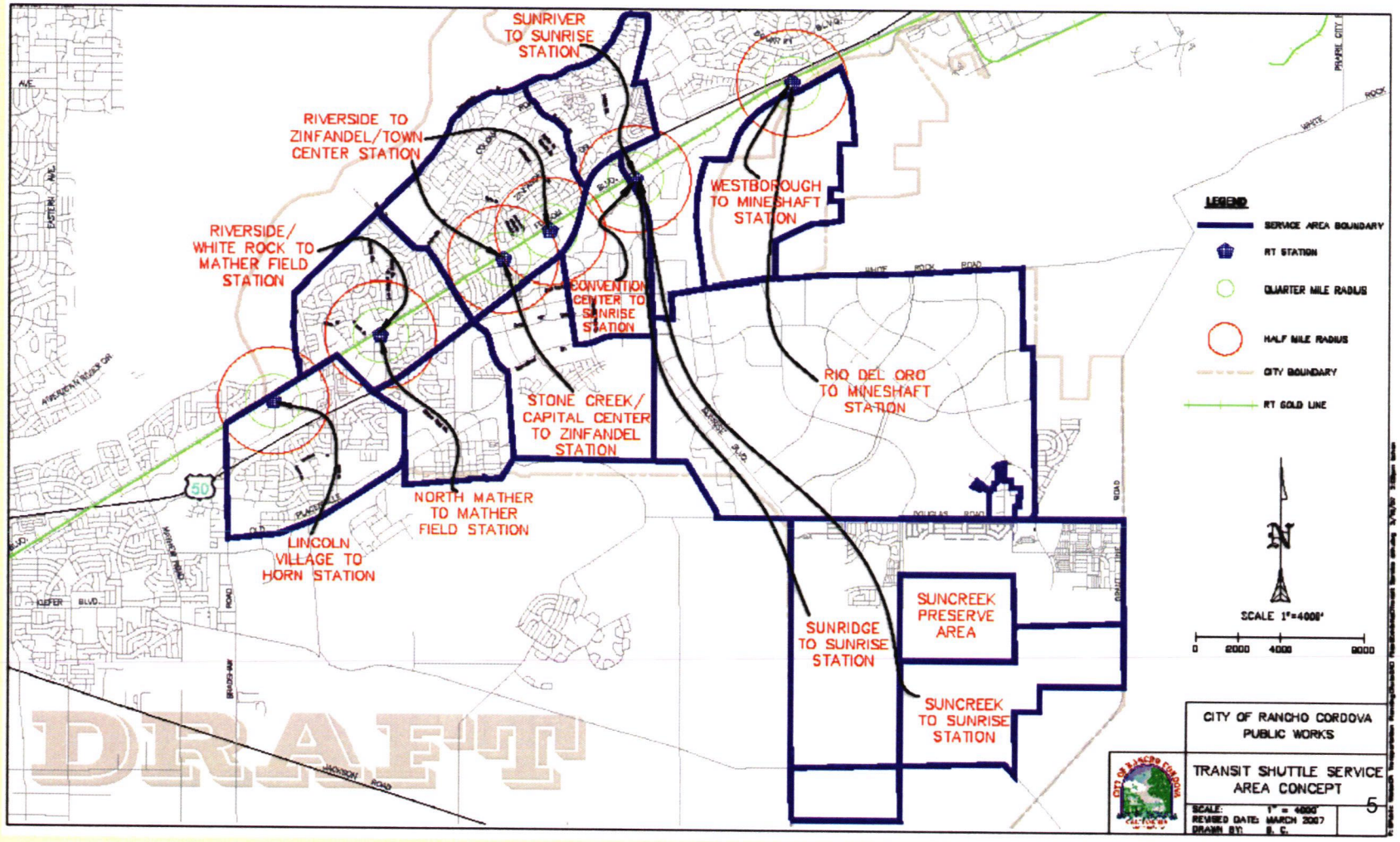
- Rancho Cordova **Transit Master Plan** – Approved in September 2006

  1) Regional BRT Component

  2) Signature Route – Ultimately Streetcar

  3) Neighborhood Shuttle Service

# Conceptual Shuttle Service Areas



# Shuttle Route Selection

**Stone Creek / Capital Center to Zinfandel Station Route**

- Route Selection based on funding provided by a Transit Related Services Tax paid by the residents of Stone Creek and Capital Village
- This funding is legally required to provide service to these neighborhoods.

# Contractor Selection Panel

- Panel - 4 City Staff, 2 SACOG Staff
- Several Decades of Transit Related Experience
  - *System Planning*
  - *Route Planning*
  - *Technology & Procurement*
  - *System Operations and Management*

# Selection Criteria

- Choice Riders and Life-Line Riders
- Cost, and
- "Quality of Service"

  *Approach to Service*

  *References*

  *Background and Experience of Staff*

  *Vehicles*

  *Fare Collection and Auditing Procedures*

  *Creative Ideas for safety and efficiency*

  *Use of Technology*
- Ridership - Critical Measure of Success

# Procurement Details

- RFP released in January.
- Received four proposals March.
- Six-member selection committee (including two SACOG transit experts) evaluated the proposals and selected three for interviews.
- All candidates currently operate some form of transit service in Rancho Cordova.

# Recommendation

- Authorize the City Manager to negotiate and execute an Agreement with Sacramento Regional Transit in an amount not to exceed $750,000.
- Allow for the flexibility to deal with branding options, adjustments to the route, increased fuel expenses, and any unanticipated changes to the service during the three-year demonstration period.
- Allow the City Manager the option of negotiating with MV Transportation, Inc. or Paratransit, Inc. if the negotiation with Sacramento Regional Transit fails.

# Recommendation Details

- Added value services:
  - CMAQ grant administration and liaison with the Federal Transit Administration.
  - Marketing and customer service.
  - Technologies that enhance the customer travel experience through better schedule monitoring, and more timely and accurate public information.

# Recommendation Details

- The Transit Rider Alert system will automatically notify subscribing customers of travel delays via cell phone text message and e-mail.
- A web-based Vehicle Location System that will display on a Google map the real-time position of buses on any route approaching any stop in the regional transit network.
- Security of passengers and Police services.

# Recommendation Details

- Seamless transfer arrangement between light rail and shuttle.
- Maintenance crews that can assist with bus stop installation.
- Service will be provided at a competitive cost within our budget.
- Regional Transit has operated service for 35 years in the Sacramento region and currently operates fixed route bus and light rail service in our community.

# Recommendation Details

- Recent extensive planning process to gain familiarity with the needs of our customers.
- Community Bus Division allows for smaller vehicles and flexible response to adjustments as we fine-tune the service.
- Vehicles will be maintained at garage at 29th and N. City will only pay for revenue service hours, so there will be no charges for moving the vehicles between the facility and the route.

# Next Steps

- Negotiate transit operations contract (30 days).
- Finalize branding options.
- Develop and implement a marketing plan.
- Develop a MOU with Doerken Properties, Inc.
- Fare Analysis
- Anticipated start of service in June 2009.

# Branding Options