

CONCURRENT MEETING CITY COUNCIL/CRA/RCFC

Monday, February 1, 2010

4:00 p.m. – Closed Session

5:00 p.m. – Closed Session

5:30 p.m. – Regular Meeting

AGENDA



Ken Cooley, Mayor

Robert J. McGarvey, Vice Mayor

David Sander, Council Member

Linda Budge, Council Member

Dan Skoglund, Council Member

2010

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 PICK AND ARE SUBJECT TO CHANGE). REFER TO HOLIDAY SCHEDULES BELOW.

S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
JANUARY						1	2	FEBRUARY						MARCH						APRIL								
3	4	5	6	7	8	9		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
10	11	12	13	14	15	16		7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	
17	18	19	20	21	22	23		14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31			
24	25	26	27	28	29	30		21	22	23	24	25	26	27	28	29	30	31										
31								28																				
MAY						1	JUNE						JULY						AUGUST									
2	3	4	5	6	7	8				1	2	3	4	5					1	2	3	4	5	6	7	8	9	
9	10	11	12	13	14	15		6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
16	17	18	19	20	21	22		13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31		
23	24	25	26	27	28	29		20	21	22	23	24	25	26	27	28	29	30										
30	31							27	28	29	30																	
SEPTEMBER							OCTOBER						NOVEMBER						DECEMBER									
			1	2	3	4		3	4	5	6	7	8	9		1	2	3	4	5	6				1	2	3	4
5	6	7	8	9	10	11		10	11	12	13	14	15	16	7	8	9	10	11	12	13	14	15	16	17	18	19	
12	13	14	15	16	17	18		17	18	19	20	21	22	23	14	15	16	17	18	19	20	21	22	23	24	25	26	
19	20	21	22	23	24	25		24	25	26	27	28	29	30	21	22	23	24	25	26	27	28	29	30	31			
26	27	28	29	30				31							28	29	30											

2010 PROPOSED HOLIDAY SCHEDULE - CITY HALL CLOSED (SHOWN IN BLUE)

NEW YEAR'S DAY (FRI, JAN 1)	INDEPENDENCE DAY (SUN, JUL 4)	DAY AFTER THANKSGIVING (FRI, NOV 26)
MARTIN LUTHER KING JR. DAY (MON, JAN 18)	LABOR DAY (MON, SEP 6)	CHRISTMAS EVE (FRI, DEC 24)
PRESIDENT'S DAY (MON, FEB 15)	VETERAN'S DAY (THUR, NOV 11)	CHRISTMAS DAY (SAT, DEC 25)
MEMORIAL DAY (MON, MAY 31)	THANKSGIVING DAY (THUR, NOV 25)	

2011

S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
JANUARY						1	FEBRUARY						MARCH						APRIL										
2	3	4	5	6	7	8			1	2	3	4	5			1	2	3	4	5		3	4	5	6	7	8	9	
9	10	11	12	13	14	15		6	7	8	9	10	11	12		6	7	8	9	10	11	12	10	11	12	13	14	15	16
16	17	18	19	20	21	22		13	14	15	16	17	18	19		13	14	15	16	17	18	19	17	18	19	20	21	22	23
23	24	25	26	27	28	29		20	21	22	23	24	25	26		20	21	22	23	24	25	26	24	25	26	27	28	29	30
30	31							27	28							27	28	29	30	31									
MAY							JUNE						JULY						AUGUST										
1	2	3	4	5	6	7				1	2	3	4		3	4	5	6	7	8	9		1	2	3	4	5	6	
8	9	10	11	12	13	14		5	6	7	8	9	10	11		10	11	12	13	14	15	16	7	8	9	10	11	12	13
15	16	17	18	19	20	21		12	13	14	15	16	17	18		17	18	19	20	21	22	23	14	15	16	17	18	19	20
22	23	24	25	26	27	28		19	20	21	22	23	24	25		24	25	26	27	28	29	30	21	22	23	24	25	26	27
29	30	31						26	27	28	29	30			31								28	29	30	31			
SEPTEMBER							OCTOBER						NOVEMBER						DECEMBER										
				1	2	3		2	3	4	5	6	7	8			1	2	3	4	5					1	2	3	
4	5	6	7	8	9	10		9	10	11	12	13	14	15	6	7	8	9	10	11	12	4	5	6	7	8	9	10	
11	12	13	14	15	16	17		16	17	18	19	20	21	22	13	14	15	16	17	18	19	11	12	13	14	15	16	17	
18	19	20	21	22	23	24		23	24	25	26	27	28	29	20	21	22	23	24	25	26	18	19	20	21	22	23	24	
25	26	27	28	29	30			30	31						27	28	29	30				25	26	27	28	29	30	31	

2011 PROPOSED HOLIDAY SCHEDULE (SHOWN IN GREEN)

NEW YEAR'S DAY (SAT, JAN 1)	INDEPENDENCE DAY (MON, JUL 4)	DAY AFTER THANKSGIVING (FRI, NOV 25)
MARTIN LUTHER KING JR. DAY (MON, JAN 17)	LABOR DAY (MON, SEP 5)	CHRISTMAS EVE (SAT, DEC 24)
PRESIDENT'S DAY (MON, FEB 21)	VETERAN'S DAY (FRI, NOV 11)	CHRISTMAS DAY (SUN, DEC 25)
MEMORIAL DAY (MON, MAY 30)	THANKSGIVING DAY (THUR, NOV 24)	

2012

S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
JANUARY							FEBRUARY						MARCH						APRIL										
1	2	3	4	5	6	7					1	2	3	4		4	5	6	7	8	9	10	1	2	3	4	5	6	7
8	9	10	11	12	13	14		5	6	7	8	9	10	11	11	12	13	14	15	16	17	8	9	10	11	12	13	14	
15	16	17	18	19	20	21		12	13	14	15	16	17	18	18	19	20	21	22	23	24	15	16	17	18	19	20	21	
22	23	24	25	26	27	28		19	20	21	22	23	24	25	25	26	27	28	29	30		22	23	24	25	26	27	28	
29	30	31						26	27	28	29				25	26	27	28	29	30	31	29	30						
MAY							JUNE						JULY						AUGUST										
			1	2	3	4	5								1	2	3	4	5	6	7								
6	7	8	9	10	11	12		3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11	
13	14	15	16	17	18	19		10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18	
20	21	22	23	24	25	26		17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25	
27	28	29	30	31				24	25	26	27	28	29	30	29	30	31					26	27	28	29	30	31		
SEPTEMBER						1	OCTOBER						NOVEMBER						DECEMBER										
									1	2	3	4	5	6					1	2	3								
2	3	4	5	6	7	8		7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	
9	10	11	12	13	14	15		14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	
16	17	18	19	20	21	22		21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	
23	24	25	26	27	28	29		28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29	
30															25	26	27	28	29	30		30	31						

2012 PROPOSED HOLIDAY SCHEDULE (SHOWN IN PURPLE)

NEW YEAR'S DAY (SUN, JAN 1)	INDEPENDENCE DAY (WED, JUL 4)	DAY AFTER THANKSGIVING (FRI, NOV 23)
MARTIN LUTHER KING JR. DAY (MON, JAN 16)	LABOR DAY (MON, SEP 3)	CHRISTMAS EVE (MON, DEC 24)
PRESIDENT'S DAY (MON, FEB 20)	VETERAN'S DAY (SUN, NOV 11)	CHRISTMAS DAY (TUE, DEC 25)
MEMORIAL DAY (MON, MAY 28)	THANKSGIVING DAY (THUR, NOV 22)	



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

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

Monday, February 1, 2010

**4:00 P.M. – Closed Session
Coloma Room**

**5:00 P.M. – Closed Session
Community Board Room**

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

AGENDA

A. CLOSED SESSION – CALL TO ORDER / ROLL CALL

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

B. PUBLIC COMMENT

Citizens wishing to address the Council regarding the item on the agenda may do so at this time. Please state your name and community of residence and keep your comments to three minutes or less.

C. CLOSED SESSION ITEM

Council may meet in Closed Session in the Coloma Room to discuss the following item:

Conference with Legal Counsel – Public Performance Evaluation (City Attorney Review)
Pursuant to Government Code 54957.

D. ADJOURNMENT OF CLOSED SESSION

Mayor Cooley will adjourn the closed session in the Coloma Room to closed session in the Community Board Room.

E. CLOSED SESSION – CALL TO ORDER / ROLL CALL

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

F. PUBLIC COMMENT

Citizens wishing to address the Council regarding the item on the agenda may do so at this time. Please state your name and community of residence and keep your comments to three minutes or less.

G. CLOSED SESSION ITEM

Council may meet in Closed Session in the Community Board Room to discuss the following item:

Conference with Legal Counsel – Anticipated Litigation Government Code 54956.9(b) (one potential case).

H. ADJOURNMENT OF CLOSED SESSION

Mayor Cooley will adjourn the closed session in the Community Board Room to regular meeting in the David B. Roberts Council Chambers.

1. REGULAR MEETING – CALL TO ORDER / ROLL CALL

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

2. METRO CABLE TV TELEVISION ANNOUNCEMENT

The City Clerk 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

Chaplain Richard Atkinson, Law Enforcement Chaplaincy, will give the invocation.

5. OPEN SESSION – REPORT FROM CLOSED SESSIONS

The City Attorney will report on actions taken in the closed sessions held in the Coloma Room and Community Board Room.

6. PRESENTATIONS

- 6.1 Presentation by Council Member Linda Budge on Contributions Made by Peter A. McCuen to the Rancho Cordova Community.
- 6.2 Presentation by President Craig Osborn on Newly Formed Rancho Cordova Historical Society.
- 6.3 Presentation by Acting Executive Director Robert Sanger of Folsom Cordova Community Partnership on 2009 Year-End Review, Including a Report from the Youth Advisory Council on the REACH Initiative, AmeriCorps Pledge, and Swearing-in of Eleven Members by Mayor Cooley.
- 6.4 Presentation of Proclamation to Community Volunteer Nancy Bui in Support of Earned Income Tax Credit Awareness Day on January 29, 2010.
- 6.5 Presentation of Proclamation to Melody Mayer and Shelly Blanchard in Support of Community Weight Loss Challenge "20 Tons in 2010."

7. 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.

8. COUNCIL REPORTS

9. CONSENT CALENDAR ITEMS – ROLL CALL VOTE

- 9.1 **Subject:** Regular Meeting Minutes of January 19, 2010.
Recommendation: Adopt Minutes.
- 9.2 **Subject:** Ordinance Amending Section 4.22.155(a) of the Rancho Cordova Municipal Code to Increase the Number of Card Tables that a Licensed Cardroom May Operate or Maintain Within the City from Nine to Ten
Recommendation: Waive second reading and adopt Ordinance No. 1-2010. (Roll Call Vote)
Result of Recommended Action: Adoption of this Ordinance will increase the number of card tables that a licensed cardroom may operate or maintain within the City from nine (9) card tables to a maximum of ten (10) card tables. If table demands meet the operators projections, the card table increase will generate approximately three thousand dollars (\$3,000) in additional revenue for the City annually.
Staff Report: Ted Gaebler, City Manager's Office and Adam U. Lindgren, City Attorney's Office
Advances Goals: 11
- 9.3 **Subject:** Resolution Authorizing the City Manager to Execute a Contract with DesCor Builders for Construction Management Services for the Proposed Police Station Located at 2897 Kilgore Road and 2880 Gold Tailings Drive in an Amount Not to Exceed \$260,000
Recommendation: Adopt Resolution No. 4-2010.
Result of Recommended Action: Adoption of this resolution will allow the City to contract with DesCor Builders for construction management services related to the construction of a police station located at 2897 Kilgore Drive and 2880 Gold Tailings Court.
Staff Report: Cyrus Abhar, Public Works Department and Tom Trimberger, Special Projects
Advances Goal: 4
- 9.4 **Subject:** Resolution Authorizing the City Manager to Execute a Freeway Management Agreement with Caltrans for Highway 50 Within the City Boundaries
Recommendation: Adopt Resolution No. 6-2010.
Result of Recommended Action: Adoption of this resolution will authorize the City Manager or his designee to execute the California Department of Transportation's Freeway Maintenance Agreement. The agreement clarifies legal maintenance responsibility for infrastructure elements within the footprint of the Highway 50 right of way.
Staff Report: Cyrus Abhar, Public Works Department
Advances Goals: 2, 4, and 6

10. CONSENT PUBLIC HEARING ITEMS

NONE

11. PUBLIC HEARING ITEMS

NONE

12. REGULAR CALENDAR ITEMS

- 12.1 **Subject:** Report from Sacramento County Regional Parks Director Janet Baker
Recommendation: Receive report on Sacramento County Regional Parks Activities
Result of Recommended Action: This presentation and future presentations to the City Council by County Regional Parks will allow better coordination of County Parks efforts with the City and will inform the Rancho Cordova Community on County Parks activities
Staff Report: Paul Junker, Planning Department
Advances Goals: 1, 4, 8, and 13

- 12.2 **Subject:** Community Redevelopment Agency Resolution Authorizing the Executive Director to Execute an Agreement for the Acquisition of Real Property
Recommendation: Adopt Agency Resolution No. CRA-2-2010.
Result of Recommended Action: Adoption of this Resolution will allow the Executive Director to execute the Option to Purchase Agreement with Gennady Shapiro Revocable Trust, for a one year option agreement in the amount of \$100,000, and the option to purchase the property located at 10259 Folsom Boulevard (APN's: 027-0213-003, 004, 005) in the amount of \$1,550,000.
Staff Report: Micah Runner, Community Redevelopment Agency
Advances Goals: 1 and 9

GROWING STRONG NEIGHBORHOODS

COUNCIL ACTING AS COMMUNITY REDEVELOPMENT AGENCY

- 12.3 **Subject:** Discussion on Teichert Quarry Proposal and Status Update on East County Quarries Processing
Recommendation: Council will receive and file updated information on proposed mining applications currently in process with the County of Sacramento.
Result of Recommended Action: City staff will prepare a detailed response to the County of Sacramento based on comments and direction received from Council.
Staff Report: Cyrus Abhar, Public Works Department
Advances Goals: 2, 4, 6, and 8

13. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

14. CITY MANAGER'S REPORT

15. ADJOURNMENT

Mayor Cooley will adjourn the regular meeting in the David B. Roberts Council Chambers to closed session in the Community Board Room.

16. CLOSED SESSION – CALL TO ORDER / ROLL CALL

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

17. PUBLIC COMMENT

Citizens wishing to address the Council regarding the item on the agenda may do so at this time. Please state your name and community of residence and keep your comments to three minutes or less.

18. CLOSED SESSION ITEM

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

Conference with Legal Counsel – Anticipated Litigation Government Code 54956.9(b)
(one potential case).

19. OPEN SESSION – REPORT FROM CLOSED SESSION

The City Attorney will report on action taken in closed session.

20. 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.cityofranhocordova.org on Thursdays or Fridays 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	
<i>Tuesday & Wednesday, February 9 & 10, 2010</i>	<i>Council and Staff Retreat</i>
<i>Monday, February 15, 2010</i>	<i>President's Day – City Hall Closed</i>
<i>Tuesday, February 16, 2010</i>	<i>5:30 p.m. Regular Meeting</i>
<i>Tuesday, February 23, 2010</i>	<i>5:30 p.m. Work Session on Discussion of User Fee Updates and City Website</i>
<i>Thursday, February 25, 2010</i>	<i>5:30 p.m. 4th Annual Financial Issues Workshop and Corporation Report</i>
<i>Monday, March 1, 2010</i>	<i>4:00 p.m. Study Session on Sunridge 530 Project 5:30 p.m. Regular Meeting</i>
<i>Monday, March 15, 2010</i>	<i>REGULAR COUNCIL MEETING CANCELLED</i>
<i>Tuesday, March 23, 2010</i>	<i>5:30 p.m. Work Session on Follow Up Discussion from 4th Annual Financial Issues Workshop and Corporate Report - TENTATIVE</i>

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 (Cordova Recreation & Park District)	(916) 362-9602
Planning Department	(916) 851-8750
Public Works Department	(916) 851-8710
Rancho Cordova Police Department	(916) 875-9673
Redevelopment Department	(916) 851-8780
Sac Metro Fire District	(916) 566-4000

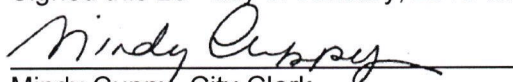
The Rancho Cordova City Council/CRA/RCFC will be videotaped in its entirety and will be cablecast without interruption on Metro Cable 14, the Government Affairs Channel on the Comcast and SureWest Cable Systems. Closed Captioning will be available on the playback cablecast. Tune to Metro Cable Channel 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 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 February 1, 2010 Special and Regular Meeting of the Rancho Cordova City Council/CRA/RCFC was posted and available for review on January 28, 2010 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.cityofranhocordova.org.

Signed this 28th day of January, 2010 at Rancho Cordova, California.


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

Tuesday, January 19, 2010

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

MINUTES

1. REGULAR MEETING – CALL TO ORDER / ROLL CALL

Mayor Cooley called the regular meeting to order in the David B. Roberts Council Chambers at 5:38 p.m.

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

Council Members Absent: Skoglund

Staff Present: Gaebler, Lindgren, Chinn, Cuppy, Lehr, Hall, Junker, Petersen, Hadley, Brown, Silva, Santini, Brisco, Meisner, Meeks, Rodriguez, Belgram, Abhar, Ingalls, Lohse, Ingalls, Snyder, Haven, Holt, Dumford, Runner, Blair, McMurtry, and McCoy

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 Brad Kilger to lead the Pledge.

4. INVOCATION

Chaplain Frank Russell, Law Enforcement Chaplaincy, gave the invocation.

5. PRESENTATIONS

- 5.1 Mayor Cooley presented a proclamation to Partner-Up Volunteer Manager Robert Farley in Recognition of National Mentoring Month.

AGENDA ITEM 9.1

- 5.2 Report from Acting Executive Director Robert Sanger on Folsom Cordova Community Partnership Annual Update was delayed until February 1, 2010.
- 5.3 City of Ceres City Manager Brad L. Kilger presented a plaque to City of Rancho Cordova City Manager Ted Gaebler in Recognition of his L.P. Cookingham Award for Career Development from the International City/County Management Association (ICMA).

6. PUBLIC COMMENT

Mayor Cooley opened the public comment period. The following individuals addressed the Council:

- Joy Moon on assistance from the Council to find missing person, Charles W. Lucas

Mayor Cooley closed the public comment period.

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 4:0 roll call vote (Skoglund absent) Council approved the Consent Calendar.

- 8.1 **Subject:** Meeting Minutes:
a) Regular Meeting of December 21, 2009; and
b) Special Meeting of January 4, 2010.
Recommendation: Adopt Minutes.
- 8.2 **Subject:** Ordinance Approving an Amendment to the Villages of Zinfandel Development Agreement
Recommendation: Waive second reading and adopt Ordinance No. 25-2009. **(Roll Call Vote)**
Result of Recommended Action: Adoption of this ordinance will approve an amendment to the Villages of Zinfandel Development Agreement removing approximately 30 acres of land from the Villages of Zinfandel project. The amendment will not change any substantive provisions of the Development Agreement for the remaining project. This amendment will comply with the previously approved agreement between the City and the State of California.
Staff Report: Adam U. Lindgren, City Attorney's Office, and Joe Chinn, City Manager's Office
- 8.3 **Subject:** Resolution Authorizing the City Manager to Execute First Contract Amendment No. 1-2010 with Willdan Financial Services for District Administration Services in the Amount of \$134,000.
Recommendation: Adopt Resolution No. 1-2010.
Result of Recommended Action: Adoption of this resolution will allow the City Manager to execute first amendment Contract No. 1-2010.
Staff Report: Cyrus Abhar, Public Works Department

- 8.4 **Subject:** Resolution Authorizing the City Manager to Execute an Agreement with Sacramento Municipal Utility District (SMUD) in the Amount of \$159,841 for the Relocation of Transmission and Distribution Facilities for the International Drive Extension Project
Recommendation: Adopt Resolution No. 2-2010.
Result of Recommended Action: Adoption of this resolution will allow the City Manager to execute Contract No. 2-2010 with SMUD for the relocation of power poles and transmission lines.
Staff Report: Cyrus Abhar, Public Works Department
- 8.5 **Subject:** Resolution Authorizing the City Manager to Execute an Exchange of Funds with the Sacramento Area Council of Governments (SACOG) and Sacramento Metropolitan Air Quality Management District (SMAQMD)
Recommendation: Adopt Resolution No. 3-2010.
Result of Recommended Action: Adoption of this resolution will allow the City Manager to execute an exchange of funding with SACOG and SMAQMD to trade \$310,000 of local transportation funds for the same amount in Congestion Mitigation and Air Quality (CMAQ) funding in an effort to save a Bicycle Parking Project that will be completed by SMAQMD. The funding exchange will allow SMAQMD to complete its Bicycle Parking Project with non-federal funding. There will be no adverse effects on the City or SACOG.
Staff Report: Cyrus Abhar, Public Works Department
- 8.6 **Subject:** Ordinance Amending Section 4.22.155(a) of the Rancho Cordova Municipal Code to Increase the Number of Card Tables that a Licensed Cardroom May Operate or Maintain Within the City from Nine to Ten
Recommendation: Waive first reading and introduce Ordinance No. 1-2010. **(Roll Call Vote)**
Result of Recommended Action: Adoption of this Ordinance will amend Section 4.22.115(a) of the Rancho Cordova Municipal Code. The Ordinance will increase the number of card tables that a licensed cardroom may operate or maintain within the City from nine (9) card tables to a maximum of ten (10) card tables. If table demands meet the operators projections, the card table increase will generate approximately three thousand dollars (\$3,000) in additional revenue for the City annually.
Staff Report: Ted Gaebler, City Manager's Office and Adam U. Lindgren, City Attorney's Office

9. CONSENT PUBLIC HEARING ITEMS

NONE

10. PUBLIC HEARING ITEMS

- 10.1 **Subject:** Resolution Authorizing the Adoption of the Mid-Term Review of the Five-Year Implementation Plan for the Rancho Cordova Redevelopment Project Area
Recommendation: Adoption Agency Resolution No. CRA-1-2010.
Result of Recommended Action: Adoption of this resolution will result in the approval of the Mid-Term Review as an update to the Five-Year Implementation Plan.
Staff Report: Megan McMurtry, Economic Development Department
COUNCIL ACTING AS COMMUNITY REDEVELOPMENT AGENCY

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

ACTION: Motion by Budge second by McGarvey and carried by a 4:0 roll call vote (Skoglund absent) Council adopted Agency Resolution No. CRA-1-2010.

11. REGULAR CALENDAR ITEMS

NONE

12. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

NONE

13. CITY MANAGER'S REPORT

City Manager Ted Gaebler reported on trip to South America.

City Manager Ted Gaebler called on staff from Administrative Services to provide the following updates:

Finance Department staff members Donna Silva, Finance Director, Rebecca Santini, Sr. Finance Analyst, Patty Lohse, Sr. Accountant, and Tony Ingalls, Accounting Technician reported on the following:

- Finance Department Functions: long range fiscal planning and oversight; budget management; audit management and financial statement preparation; cash and investment management; processing, recording and reporting transactions; business licensing; grant management; district administration; and risk management
- Accomplishments: improvements to accounting system; revenue sharing agreement with new card room; 3rd Annual Financial Issues Workshop; collections of accounts receivable; award for Excellence in Financial Reporting; worked collaboratively with the departments to maximize revenues and contain expenses; sixth consecutive year of general fund surplus; bond rating upgrade from A- to A+; and garnered positive press
- Sacramento Bee article entitled "Here's one city that has it right"
- Projects: Cost Allocation Plan and User Fee Study; Updated Nexus Study Capital Facilities Fee; Fee Deferral Program; Transient Occupancy Tax (TOT) Audit; and Community Facilities Districts (CFD's) current on all payments
- Developer Billing Statements; project accounting system improvements; providing training on project module for internal project tracking; actuarial study for Other Post-Employment Benefits (OPEB); investments – updating Investment Policy
- Business License Update: rental license renewals; updated ordinance for enforcement purposes; alerts to Code Enforcement and Building for inspections of new applicants; business license online services; welcome packet
- Other Projects: continued improvements to collections: 1) Franchise Tax Board (FTB) Program, and 2) Policies and Procedures; implement electronic timesheets; update purchasing ordinance; potential ballot measures: Utility User Tax (UUT) ordinance and card room tax; User Fee Study; and fiscal management

Human Resources Department staff members Stacey Petersen, Human Resources Manager, Lisa Brown, Human Resources Analyst, and Diana Rodriguez, Human Resources Technician reported on the following:

- Human Resources Strategy
- Employee Survey: 93% agreed HR provides a timely response; 93% agreed HR provides quality interactions; 91% agreed HR provides clear communication; 93% agreed they understand how their individual goals support the mission of the organization; 74% agreed the City recognition program offers a good variety of options for recognition; 98% would recommend a job with the city to a friend
- Recruiting Talent: Recruitment Activities: seven recruitments and 1,042 applications
- Hired four regular employees; hired 12 temporary employees; offered 24 unpaid internships (over 350% increase from last year); and promoted three employees; improved the new employee orientation process
- Training and Development: 12 trainings offered; and completed the Essentials of Effective Management Series
- Engagement of Employees to Excel: maintained a supportive culture: SWEL Award recipient; finalist for the A+ Employer Award; enhanced the employee recognition program; provided guidance to ensure effective performance reviews; implemented new forms to facilitate better feedback; coordinated the City internship program; promoted safety and wellness; and 4% voluntary turnover
- Promote Employee Contributions: created opportunities for employees to make a difference: blood drive: 165 donors, 148 pints, and 20 new participants; and promoted employee community involvement
- Employee Community Involvement: mentored students through the Folsom Cordova Community Partnership; sponsored a Rancho Cordova Relay for Life City team and participated in leadership roles on the Relay for Life Planning Committee; hosted a booth at Kids' Day at Hagan Park; volunteered for E-waste clean-ups; donated socks and shoes for homeless students for Project 680; raised money and awarded a \$500 scholarship to a graduating senior at Cordova High; and Cordova Community Council's 2009 Public Service Award Recipient
- Key Initiatives: established more efficient reporting capabilities; expanded the City safety program; continued to develop the HR Intranet; conducted supervisory training; and succession planning

Information Technology Department staff members Jay Hadley, Information Technology Manager, David McCoy, IT Technician, and Mark Dumford, GIS Manager reported on the following:

- Emergency Operations Center (EOC): worked with Facilities and RCPD to design and equip our EOC; completed NIMS / SIMS Training; wired American River Room South for Voice and Data; assigned dedicated phones; programmed phone system with dedicated numbers for each EOC group. (Operations, Logistics, Intel, etc.)
- Capital Air Show: With less than 2 week's notice, the City IT Staff was able to provide internet connections at gates and to vendors. This was accomplished by creating a wireless link from City Hall to the VA Hospital building and down to the Airfield. IT staff was able to do this at no cost as we worked with vendors we currently have relationships with; Fortis Telecom provided the wireless equipment and Comcast provided the internet connection.
- Telecommunications: negotiated new contract with Surewest. This will increase our Internet Bandwidth from 3MB to 20MB. All other services will be duplicated. This new contract will reduce our Telecommunications costs by more than \$13,650 per year while providing our users better services. New service will be in place February 2010.

- Lundgren Town Hall Meeting: provided audio service; setup wireless mic system so audience could participate from all rooms and outside; setup wireless outside speakers so citizens standing in parking lot could hear
- Hansen – Code Enforcement Module: general nuisance; rental housing; vacant building; foreclosure; permits (Planning, Building, and Public Works); scavenging; business license
- Hansen – Dynamic Portal: Customer interface into Hansen System: apply online for the following Building processes: reroof permit, plumbing, mechanical or electrical permit, allows the user to schedule inspections, and pay fees online; apply online for the following business license processes: general business license and pay fees online; additional functionality for permitting and general business license: creates a user account online (for business license); automatically sends email to the online applicant with the application number when the application is successfully applied for; automatically sends email to the building and license staff to notify them that an online permit/license has been applied for and the fees have been successfully paid; automatically sends email to the online applicant when the permit/license has been pre-issued (has successfully passed all reviews and is ready for issuance); allows the user to look at the status of all business licenses for the business/applicant; allows the user to look at the status of all building permits for the applicant
- Server Virtualization: server virtualization is a method of running multiple independent virtual operating systems on a single physical computer. Virtualization allows us to maximize physical resources to take best advantage of our hardware investment. This is achieved through the transformation of physical hardware into software, i.e., “virtualize” the CPU, RAM and hard drives. These virtualized pieces of hardware create a single virtual server that can be split and run several independent operating systems and applications at the same time on a single computer; where we started: 20 physical servers, each consuming 500 – 700 Watts of Energy, and each using only 5% - 45% of its resources; where we are today: 3 physical servers, doing the work of 20 physical servers, and still have available resources to grow
- Benefits of Server Virtualization: reduction in operating costs; less power consumption = savings of over \$10,500 /yr; lower cooling costs (estimated 30% - 40% savings); better use of available resources; up to 20 virtual servers on a single physical server; centralized management; simplified disaster recovery; high availability – self healing recovery; and scalability
- Desktop Virtualization: desktop virtualization is the process of separating a personal computer desktop (its applications, files and data) from the physical machine. The 'virtualized' desktop is stored on a remote central server instead of on the hard-drive of the local personal computer. This means that when users work from their desktops, all of the programs, applications, processes and data used by the desktop are kept and run centrally, allowing users to remotely access their desktops on any device which is capable of displaying the desktop, such as a PC, laptop, or thin client.
- Benefits of Desktop Virtualization: lower power consumption; uses 5 Watts vs. 300 Watts of energy; saving over \$4,500 per year; better use of computing resources; improves the user experience; reduced maintenance costs; reduced purchasing costs; and increased PC security
- City Hallway Intranet: citywide announcements and upcoming events lists; departmental calendars; departmental task tracking and assignment; departmental announcements; quick links to frequently used documents, training & websites; HR documents and forms; employee directory; department specific

- contact and website lists; citywide discussion board (post for sale items, carpools, or anything else); online routing of requests and approvals
- Graphic Information Systems (GIS): responsibilities/customers: citywide solutions for City Manager's Office, Economic Development, Housing, and Planning; Types of Service Provided: maps, analysis, reports, data creation/maintenance, system integration, GIS applications/tools for staff; small, medium, and large projects; one-time requests and reoccurring maps/reports
- 2010 Census Support
- Airshow Traffic Flow Maps
- Enterprise Zone Expansion Map/Analysis
- Special Police Tax GIS Audits
- Neighborhood Stabilization Grants Maps/Analysis
- Rancho Cordova Web Mapping

14. ADJOURNMENT OF REGULAR MEETING

Mayor Cooley adjourned the regular meeting to closed session in the Community Board Room at 7:55 p.m.

15. CLOSED SESSION

Mayor Cooley called the closed session to order in the Community Board Room at 8:05 p.m.

The Council went into closed session to discuss the following item:

Conference with Legal Counsel – Anticipated Litigation Government Code 54956.9 (b) (one potential case).

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

Council Members Absent: Skoglund

Staff Present: Gaebler, Lindgren, Abhar, and Junker

16. OPEN SESSION – REPORT FROM CLOSED SESSION

City Attorney Adam Lindgren reported there was no reportable action from closed session.

17. ADJOURNMENT OF OPEN SESSION

Mayor Cooley adjourned the open session at 9:12 p.m.

Mindy Cuppy, City Clerk

CITY OF RANCHO CORDOVA

ORDINANCE NO. 1-2010

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AMENDING MUNICIPAL CODE SECTION 4.22.115(A) OF CHAPTER 4.22 ENTITLED,
"CARDROOMS," TO INCREASE THE NUMBER OF CARD TABLES THAT A LICENSED
CARDROOM MAY OPERATE OR MAINTAIN WITHIN THE CITY FROM NINE TO TEN**

RECITALS

WHEREAS, adoption of this Ordinance would amend Section 4.22.115(A) of the Rancho Cordova Municipal Code to increase the number of card tables that a licensed cardroom may operate and maintain within the City from nine (9) to a maximum of ten (10), as authorized by Section 19965 of the California Business and Professions Code; and

WHEREAS, increasing the number of card tables allowed at licensed cardrooms within the City to ten (10) will benefit the City by increasing revenue to the City in form of card table operating fees and revenue derived from the gross gaming revenue received by Cordova Restaurant and Casino pursuant to the terms of the Revenue Agreement.

**THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS
FOLLOWS:**

Section 1. Amendment of Code. Section 4.22.115(A) of the Rancho Cordova Municipal Code entitled, "Equipment – Separation," is hereby amended to read as follows:

A. No cardroom shall maintain or operate more than ten card tables at any one time. Tables used during tournaments or free special events shall count toward this maximum table limit. Chairs shall be provided for all card players. No more than 12 players shall be permitted to play at any time at any one table. Authorized games shall not utilize dominoes, tiles, dice, spinning wheels, electronic player-controlled machines or any other device other than the standard decks of playing cards traditionally used for playing such games, poker chips, and the optional dealer shoes, except, to the extent such equipment is allowed by applicable state law and/or state regulations, such equipment shall also be allowed in the city.

Section 2. Severability

If any provision of this ordinance, or the application thereof to any person or circumstance, is held invalid, the remainder of the ordinance, including the application of such part or provision to other persons or circumstances shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this ordinance are severable. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid or unenforceable.

Section 3. Effective Date

Within fifteen (15) days after adoption, a Summary of this Ordinance shall be published once in the Grapevine Independent or the Sacramento Bee, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in

accordance with Government Code section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its inception.

PASSED and ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Cooley, Mayor

ATTEST:

Mindy Cuppy, City Clerk

MEMORANDUM



DATE: February 1, 2010

TO: Honorable Mayor and Council Members

FROM: Cyrus Abhar, Public Works Director
Thomas L. Trimberger, Special Projects Manager

SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH DESCOR BUILDERS FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE PROPOSED POLICE STATION AT 2897 KILGORE ROAD AND 2880 GOLD TAILINGS DRIVE

RECOMMENDATION

Adopt Resolution No. 4-2010.

RESULT OF RECOMMENDED ACTION

Adoption of this resolution will allow the City to contract with DesCor Builders for construction management services related to the construction of a Police Station at 2897 Kilgore Drive and 2880 Gold Tailings Court in an amount not to exceed \$260,000.

BACKGROUND

The City is considering the relocation of its Police Station from its current location to existing City-owned buildings at 2897 Kilgore Road and 2880 Gold Tailings Court. The proposed contract is for construction management and construction project administration.

On December 7, 2009 the City Council authorized the execution of an agreement with Calpo Hom and Dong Architects for architectural design and construction project administration. A preliminary space plan has been developed based on input from City and Police staff.

City staff researched local construction management firms. A "Request for Proposals" (RFP) was issued by the City to four companies. Three firms responded with proposals and were subsequently interviewed by City staff with help from the architect. The recommendation from the panel is to engage DesCor Builders as the construction management firm for the project.

DesCor Builders will perform all the necessary construction management work from preconstruction services, to bidding and construction, and post construction wrap up. Additionally, DesCor proposes to submit Leadership in Energy and Environmental Design (LEED) documentation to the U.S. Green Building Council.

ATTACHMENT

Resolution No. 4-2010 including **(Exhibit A1)** Contract No. 5-2010 with DesCor Builders

CITY OF RANCHO CORDOVA

RESOLUTION NO. 4-2010

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE CITY MANAGER TO SIGN AN AGREEMENT WITH DESCOR
BUILDERS FOR CONSTRUCTION MANAGEMENT SERVICES FOR 2897 KILGORE ROAD
AND 2880 GOLD TAILINGS DRIVE**

WHEREAS, the City is considering the relocation of its police station from its current location to existing city-owned buildings at 2897 Kilgore Road and 2880 Gold Tailings Drive; and

WHEREAS, the City of Rancho Cordova wishes to contract with DesCor Builders for construction management and construction project administration in an amount not to exceed \$260,000; and

WHEREAS, those services will exceed the maximum amount the City Manager has authorization to approve; and

WHEREAS, there are sufficient funds budgeted to cover the costs of the contract.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to execute a contract with DesCor Builders, in a form approved by the City Attorney and attached as **Exhibit A1**.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Cooley, Mayor

ATTEST:

Mindy Cuppy, City Clerk

**CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND
DESCOR BUILDERS**

THIS AGREEMENT for consulting services is made by and between the City of Rancho Cordova ("City") and DesCor Builders. ("Consultant") as of February 1, 2010.

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 July 1, 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 \$260,000, 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 A, 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 A.
- 2.6 **Reimbursable Expenses.** Reimbursable expenses, if any, are set forth in Exhibit A, and shall not exceed \$20,000.00. Expenses not listed in Exhibit A 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 60 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.

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 Cyrus Abhar, Public Works Director ("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:
DesCor Builders
Attn: Brad Des Jardin
3164 Gold Camp Drive, Suite 250
Rancho Cordova, CA 95670

Any written notice to City shall be sent to:
City of Rancho Cordova
Attn: Tom Trimberger, Special Projects Manager
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.

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 A, 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

CONSULTANT

Ted A. Gaebler, City Manager

Brad Des Jardin, Principal

Date: _____

Date: _____

Attest:

Mindy Cuppy, City Clerk

Date: _____

Approved as to Form:

Adam U. Lindgren, City Attorney

Date: _____



DesCor
BUILDERS

METHODOLOGY / CONSTRUCTION MANAGEMENT SERVICES

PRECONSTRUCTION APPROACH

DesCor views the Preconstruction Phase as arguably one of the most crucial phases in the overall life of a project, for it is during this phase the "TEAM" develops many of the building systems and components which later drive the look, feel, and function of your new facility. **With this in mind DesCor has made it their business (literally) to become experts in the processes of Preconstruction.**

Communication

This process begins with a Partnering Meeting which gathers those involved in the design, construction and end use of the project. The objective of this meeting is to communicate / learn the goals and objectives for the project, identify potential problems and solutions, and establish clear lines of communication.

As the Preconstruction Phase progresses, DesCor will work with the Design Team and the Owner in reviewing and developing the construction documents, taking into account quality of materials and equipment to ensure an efficient design combined with minimum lifecycle cost. **DesCor will participate in design decisions by providing information, estimates, schemes, and constructability recommendations regarding construction materials, methods, systems, phasing, and costs that will provide the highest quality building within the budget and schedule.**

Schedule

A Master Schedule for the project through design, construction and project closeout will be prepared to facilitate the overall process. DesCor will provide a comprehensive schedule clearly indicating the major design milestones including all of the preconstruction, bidding, permitting and other project related schedule issues and activities. DesCor will also identify long lead time Material and Equipment purchases and make appropriate recommendations as necessary and, in addition, will perform periodic schedule updates as necessary to reflect the most recent project developments.

Estimating

DesCor believes strongly in the importance of providing continuous "up to the minute" cost control feedback to allow the Team to Design to a Budget as opposed to Budget to a Design. We have the ability to produce estimates at the end of each of the major design phases: schematic, design development, and construction document. However, as the design progresses, scope of work and costs can increase, therefore DesCor will also provide Deviation Documents weekly or as needed throughout the Design duration, which will readily identify those changes in the project scope and the associated cost implications. The Deviation Document is a living document which provides the Team valuable "real time" information needed to make decisions regarding the goals of the project.

Contract Document Estimate: DesCor will prepare formal Contract Document estimates at 50% and 90% progress to begin to confirm the final budget. This estimate will be based upon the same documents that are distributed to potential bidders. Our Estimating & Purchasing Department will utilize this estimate as a tool to review and evaluate Trade/Multi-Prime Contractor and supplier bids.



DesCor
BUILDERS

Constructability Review / Document Control: **As the Preconstruction process moves forward, DesCor will proactively check the documents for completeness, coordination, and constructability.** DesCor will make recommendations if necessary, on how to resolve potential conflicts with the Construction Documents or constructability issues to the "TEAM".

Bid Packages / Competitive Bidding: DesCor will develop logical and distinct trade contractor bid packages for all scopes of work. This sets the stage for competitively bidding the project. DesCor will develop trade Trade/Multi-Prime Contractor interest early in the preconstruction phase and will **help market the project by: community outreach to the local subcontractor community by advertisement, informational meetings at the local builder's exchange and personal contact.**

DesCor will divide the trade work into as many separate packages as practical, carefully considering the complexities of the project. The more the work is logically divided, the more clearly the cost of the work is defined. We will include bid alternatives (deductive or additive) as required to determine the best use of project funds and upon receipt of the bids; they are reviewed for conformity and completeness. We then tabulate the bids and make recommendations for award.

DesCor will prepare and issue supplemental "Instructions to Bidders that will be included with each bid package to clearly define the scope of work that each Trade/Multi-Prime Contractor is to bid. The clarity of the instructions will ensure complete bids while eliminating a "double up" of costs.

Since most of our work is with Design Build Mechanical Electrical, Plumbing and Fire Sprinkler Trades, DesCor has the systems in place and the capability to solicit and evaluate design build proposals and make the best Trade/Multi-Prime Contractor recommendation to the City, early in the design process.

Value Analysis and Cost Control

Our approach to Value Analysis is proactive and when initiated early in the process, will yield optimum results as we search out cost economies rather than reacting to cost overruns during the working drawing stages or worse yet, in the field. The latter results in project cost slashing which is almost always scope reduction, not alternative system analysis.

Ultimately the Owner benefits from Alternative Systems Analysis by having the information needed to make decisions which can reduce costs while maintaining or increasing quality of the particular system or product. The end result is a *Best Use* of construction dollars.

Construction Contingency / Construction Savings

DesCor Builders philosophy regarding construction contingency is **to limit contingency to the unknown conditions only.** We reduce that amount of construction contingency,



DesCor
BUILDERS

LEED™ Certification

The goal for the City of Rancho Cordova Interim Police Station is to reach LEED Silver Certifications while giving the City of Rancho Cordova the best value for their construction dollar.

As Construction Manager, DesCor will assume the lead role in directing and advising the project team as it pertains to the pursuit of the USGBC LEED™ Certification. As a part of this process, DesCor will register the project with USGBC and provide all project information as requested. We will research credits and project parameters to determine achievable credits that were identified as possible opportunities during the proposal process. We will work with Calpo Hom and Dong Architecture to evaluate the LEED™ design criteria for the drawings and specification. This includes research, identification and selection of material and systems to meet the LEED™ Silver level criteria. We will prepare the preliminary application package and apply for Precertification with the USGBC. The Precertification approval process allows the team to increase the likelihood of achieving the LEED™ Silver Certification at the end of the project by receiving a preliminary evaluation by the USGBC early in the process. This will also allow for the owner to market the project's intention to achieve the pursued rating. This is a two step process with a preliminary review and a final review where we have a chance to address the USGBC comments in between.



DesCor
BUILDERS

METHODOLOGY / CONSTRUCTION MANAGEMENT

CONSTRUCTION APPROACH

Preparation and Administration of Subcontracts

DesCor Builders will prepare all notice to proceed letters, contracts and major purchase orders. During this time DesCor will review and complete an "Estimate Turnover Package" with the project team. This process ensures no information is lost from the preconstruction efforts. Before any Trade/Multi-Prime Contractor commences work, our standard procedures require the execution of the contract and certificates of insurance must be on file.

Pre-Construction Conference

Pre-Construction conferences will be held with all Trade/Multi-Prime Contractors prior to commencement of work to discuss such matters as schedule, procedure, equal opportunity, safety, and any other site specific issues. The Owner and the Design Team will be encouraged to attend this meeting to facilitate the answering of questions, the exchange of information, and to communicate project expectations.

Supervision

DesCor will maintain a full-time staff as proposed, on the project, to ensure the successful performance of all construction phase services. Among the duties of the staff will be the following:

- Establish a working office at the project site.
- Coordination and direction of the Trade/Multi-Prime Contractors.
- Supervision of the Trade/Multi-Prime Contractors to monitor / document adequate supply of personnel, materials, supplies and equipment required to complete the project per the schedule.
- Inspection of materials and workmanship, prior to and during installation, for conformance with the specifications.
- Coordination of all required inspections.
- Coordinate and identify acceptable staging areas with the City.
- Maintain and log "daily reports".
- All supervision and management duties necessary to ensure complete performance per the requirements of the Contract Documents.

Cost Control

DesCor will utilize our standard integrated software- American Contractor which provides "real time" information from the original Control Estimate to billings, subcontracts and change orders. The activities included in cost control are:

- Proactive change management by identifying and addressing all potential change conditions with a detailed reference log.
- Providing ROM (Rough Order of Magnitude) pricing when issues are identified to evaluate necessity of change or mitigate issue altogether.
- Provide Team Weekly Budget Updates at meetings.
- Resolve Issues as they happen so that the Team has a clear idea where the costs are trending to allow the owner to plan and make informed business decisions.



DesCor
BUILDERS

Construction Records

Complete files and logs are maintained in the field office of all documents, revisions, correspondence, contracts, reports, etc. These provide efficient reference for the staff in performance of their duties. Examples are:

- All accounting records, including computerized reports, payment records, etc.
- A daily on-the-job log of all events, manpower levels, equipment, etc. This is available for review by the owner if desired.

Request for Information (RFI Log) and Submittal Schedule and Log will be maintained daily and discussed at weekly coordination meetings.

- The construction schedule is updated as necessary for changes that may be required and includes an explanation for the change. The schedule is posted in the field office and updated not less than monthly to reflect actual progress.
- A complete set of plans and specifications is maintained in the field office and is updated to show "as-built" conditions as required.

Construction Schedule

The construction schedule is produced in the Preconstruction Phase and is routinely updated through the completion of the Construction Phase. DesCor also incorporates the use of Short Interval (three-week look ahead) schedules which are issued weekly to the Trade/Multi-Prime Contractors in the weekly coordination meetings.

Weekly Coordination Meetings

Meetings will be held weekly with all relevant Trade/Multi-Prime Contractors for:

- Coordination of the work
- Resolution of field installation issues
- Safety
- Review of the project schedule status and current three-week schedule; safety, accident and security control.

Progress Meetings

DesCor will hold progress meetings with the owner, consultants and trade Trade/Multi-Prime Contractors to as necessary to discuss progress and scheduling. Our personnel distribute minutes of the meetings to all attendees.

Project Safety

DesCor Builders has developed a Corporate Safety Policy that exceeds both CAL-OSHA and FED-OSHA standards. In addition to the Corporate Policy we will develop a Site Specific Safety Plan. Both the Corporate Policy as well as the Site Specific Safety Plan is included with our Instructions to Bidders so that the Trade/Multi-Prime Contractors fully understand the safety requirements before mobilizing on site.

Once a Trade/Multi-Prime Contractor mobilizes the project, the Site Specific Safety Plan will be reviewed with all Trade/Multi-Prime Contractors during the project orientation. Due to the fact that construction projects are constantly in a state of change, the "specifics" of this plan are updated on a regular basis to accommodate such changes and ensure the safety of all personnel and guests. The Superintendent will conduct daily safety walks in addition to weekly safety meetings which will continually reinforce a safe work environment. Supported



DesCor
BUILDERS

by our unblemished safety record, at DesCor Builders, safety is a commitment to both us and our customers.

Guarantees / Operation and Maintenance Manuals/Training

Warranties and guarantees will be obtained, logged and transmitted to the owner prior to release of final payment. All operation and maintenance manuals, a part lists, etc., for all equipment and special systems will be bound and transmitted to the owner. DesCor will also coordinate all systems training with the City's Facilities Department to ensure that the building is being operated [properly and that all maintenance is being performed to maintain the warranties.

Punchlist

The construction industry in general has a reputation for not completing punchlists in a timely manner, which is inconvenient for the End User and expensive for the Contractor. DesCor sees this as an opportunity to differentiate ourselves in the marketplace and at the same time improve our customer's satisfaction. Our project team will monitor quality and will develop / distribute a "Rolling Completion List", to Trade/Multi-Prime Contractors on a weekly basis through the entire construction duration. Since we are addressing and repairing items as we go, our ultimate goal is to have no punch list at project completion.

LEED™ Certification

DesCor will meet the prerequisite of Constructing Activity Pollution Prevention by making sure that there is a plan in place to sort and recycle as much construction debris as possible. Also, during construction, DesCor will administer the LEED™ component of the project including reviewing submittals, quality control, subcontractor education and compliance, commissioning oversight as well as the accumulation of documentation for submission for certification.

Upon completion of the construction process, DesCor will work with Calpo Hom and Dong Architecture to document and assemble all post construction documents. We will submit the LEED™ Silver Certification application and all supporting back-up documentation to the USGBC for final review; this is the second step of the two-step process. Our goal is for the City of Rancho Cordova Interim Police Station project to receive LEED™ Silver Certification by the USGBC.

Post Construction and Project Close out Phase

In addition to the warranties, systems training and construction completion, DesCor will coordinate the installation and delivery of owner furnishings, fixtures and equipment.



DesCor
BUILDERS

COST PROPOSAL

City of Rancho Cordova Police Station

PRECONSTRUCTION SERVICES - \$6,960

Preconstruction Services include scope of work described in Section II A. (Preconstruction Services) and B. (Bid / Award Phase Services).

GENERAL CONDITIONS - \$134,083

General Conditions are based on an (18) week duration. General Conditions include full time on-site Supervision, Jobsite Office set-up, and LEED Silver coordination and management.

MANAGEMENT HOURLY LABOR RATES

Project Executive / Precon Manager - \$100/hr

Project Manager - \$90/hr

Project Superintendent - \$80/hr

Project Engineer - \$60/hr

Project Engineer (LEED Coordinator) - \$50/hr

OVERHEAD AND PROFIT – 3.9% (of construction costs)

MEMORANDUM



DATE: February 1, 2010

TO: Honorable Mayor and Council Members

FROM: Cyrus Abhar, Public Works Director

SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A
FREEWAY MANAGEMENT AGREEMENT WITH CALTRANS FOR
HIGHWAY 50 WITHIN THE CITY BOUNDARIES

RECOMMENDATION

Adopt Resolution No. 6-2010.

RESULT OF ACTION

Adoption of this resolution will authorize the City Manager or his designee to execute the California Department of Transportation's Freeway Maintenance Agreement. The agreement clarifies local maintenance responsibility for infrastructure elements within the footprint of the Highway 50 right of way.

BACKGROUND

A freeway maintenance agreement was initiated for Highway 50 shortly after its construction in the 1970's. As part of incorporation in 2003, the City took responsibility for elements of that agreement that fall within the City boundaries. As Caltrans moves forward with the Highway 50 High Occupancy Vehicle (HOV) project, the City and State are agreeing to update, clarify and add elements to the original agreement.

Generally speaking, the City will be responsible for pavement surfaces on auto and pedestrian bridges that cross Highway 50 and will maintain the "City side" of new sound walls that abut public rights-of-way.

The agreement will also include elements of Highway 50 that fall within the new incorporation area east of Sunrise Boulevard. The City will be responsible for bridge deck maintenance on the Sunrise Boulevard Bridge and a portion of the Hazel Avenue Bridge. This element of the agreement is required by LAFCo in order to complete our annexation process.

ATTACHMENT

Resolution No. 6-2010

CITY OF RANCHO CORDOVA

RESOLUTION NO. 6-2010

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE A
FREEWAY MAINTENANCE AGREEMENT AND ANY FUTURE ADDENDUMS
WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR HIGHWAY 50
WITHIN CITY BOUNDARIES**

WHEREAS, a part of incorporation in 2003, the City took responsibility for elements of the freeway maintenance agreement that fall within the City boundaries; and

WHEREAS, the City and State intend to clarify the maintenance responsibilities for infrastructure in the footprint of the Highway 50 right-of-way; and

WHEREAS, the agreement will also include elements of Highway 50 that fall within the new incorporation area east of Sunrise Boulevard.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager or his Designee to execute a Freeway Maintenance Agreement and any future Addendums with the California Department of Transportation for Highway 50 within City boundaries.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Cooley, Mayor

ATTEST:

Mindy Cuppy, City Clerk

MEMORANDUM



DATE: February 1, 2010
TO: Honorable Mayor and Council Members
FROM: Paul Junker, Planning Director
SUBJECT: REPORT FROM SACRAMENTO COUNTY REGIONAL PARKS
DIRECTOR JANET BAKER

RECOMMENDATION

Receive report on Sacramento County Regional Parks activities within and around Rancho Cordova, and provide comments as appropriate.

RESULT OF RECOMMENDED ACTION

This presentation and future presentations to the City Council by County Regional Parks will allow better coordination of County Parks efforts with the City and will inform the Rancho Cordova community on County Parks activities.

BACKGROUND

Janet Baker, Director of the Sacramento County Department of Regional Parks, will update the City Council on various Regional Parks programs that affect the City of Rancho Cordova and its residents. This presentation is intended to be the first in a series of ongoing presentations by Regional Parks that will keep the City Council and the Rancho Cordova community informed on Regional Parks activities.

This first meeting was prompted in part by implementation of improvement projects within the American River Parkway that had been planned and anticipated for approximately three years, but had not been broadly discussed within the Rancho Cordova community. With the adoption of the American River Parkway Plan, the County established an early review process for new Parkway projects, and this presentation will provide information to the community on both upcoming projects and projects that were planned prior to adoption of the Parkway Plan and the County's early notification policy.

Specific projects/topics that Ms. Baker will review include:

1. American River Parkway Mitigation Projects
 - Army Corps of Engineers Oak Woodland mitigation at Rossmoor Bar (55 acres)
 - Acorn plantings at El Manto by the American River Parkway Foundation
 - Oak tree plantings at Lower Sunrise near the lower picnic area and Ambassador access

2. Future American River Parkway Projects:
 - VELB project at River Bend Park
 - Restoration projects of Kansas Way access in Gristmill Park with native grasses and wildflowers and some oak tree
 - Planning for levee screening.
3. Measure A - Sales Tax devoted to American River Parkway - Commuter Corridor
 - Mile 16.5 remove chain link fence near Hagan Community Park
 - New rest room at El Manto access - planning stage
 - Lower Sunrise Picnic Area rest room - expect completion in Spring 2010
4. Update on the American River Parkway JPA Agreement - status
5. Dogs Off-Leash

This item has been scheduled as a Regular Agenda item to allow the City Council to participate in a dialogue with Ms. Baker and to provide guidance as appropriate. There is no formal action on this item is proposed or anticipated within this discussion. As noted above, this is intended to be the first of an on-going series of updates to the City Council. As such, the Council may wish to identify topics for which it wishes future updates.

Community Redevelopment Agency

OF THE CITY OF RANCHO CORDOVA

MEMORANDUM

DATE: February 1, 2010

TO: Community Redevelopment Agency of the City of Rancho Cordova

FROM: Micah Runner, Economic Development Manager

SUBJECT: COMMUNITY REDEVELOPMENT AGENCY RESOLUTION
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN
AGREEMENT FOR THE ACQUISITION OF REAL PROPERTY
LOCATED AT 10259 FOLSOM BOULEVARD

RECOMMENDATION

Adopt Resolution No. CRA-2-2010

RESULT OF RECOMMENDED ACTION

Adoption of this Resolution will allow the Executive Director to execute the Option and Purchase Agreement with Gennady Shapiro Revocable Trust, for a one year option agreement in the amount of \$100,000, and the option to purchase the property located at 10259 Folsom Boulevard (APN's: 027-0213-003, 004, 005) in the amount of \$1,550,000.

BACKGROUND

The intent of the Redevelopment Plan is to alleviate blight and address the physical and economic conditions that are present in the Redevelopment Project Area ("Project"). The Redevelopment Plan helps achieve many of the City's goals, including providing critical financial resources to alleviate adverse physical and economic conditions in the project area, helping establish a vibrant downtown, implementing the City's Specific Plan to enhance Folsom Boulevard, and facilitating transit station improvements and connectors to local and other transportation systems.

As part of implementing the Redevelopment Plan, the Agency has developed a conceptual plan for a critical future development site north of Folsom Boulevard between La Loma Drive and Paseo Drive – the Mills Station Crossing Conceptual Master Plan (**Attachment 2**). This site is approximately 12 acres in size and includes nine parcels owned by three different owners: the Lily Company, Marylene F. and William J. Dauenhauer, and Gennady Shapiro Revocable Trust (**Attachment 3**). The Conceptual

Plan demonstrates one potential scenario for the consolidated development of the property. It helps provide the basis for future City planning and redevelopment efforts related to this area of the Project.

In the implementation of the conceptual plan the Agency must assemble all of the parcels to incentivize and attract private development investment. To that end the Agency is in various stages of acquisition from the three property owners. Agency staff has negotiated and finalized an option and purchase agreement with the Gennady Shapiro Revocable Trust ownership in the amount equal to the appraised value of the property.

The details of the agreement include:

- A \$100,000 one year option which gives the Agency the right to purchase the subject property within 365 days of the effective date of the agreement
- The full amount of the deposit shall be applied to the purchase price at the Close of Escrow and is non-refundable for any reason other than Seller's breach or default
- The agreed upon purchase price of \$1,550,000

Control of this important property will give Agency staff the ability to actively pursue development partners for this redevelopment project. Before moving forward with the full purchase and exercising the option on this property, Agency staff will bring forward a detailed proposal for further review by the Board of the Community Redevelopment Agency of the City of Rancho Cordova.

ATTACHMENTS

1. Resolution No. CRA-2-2010 including **(Exhibit A1)** Option and Purchase Agreement
2. Mills Station Crossing Conceptual Plan
3. Ownership Map

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF RANCHO CORDOVA

AGENCY RESOLUTION NO. CRA-2-2010

RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF
RANCHO CORDOVA AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN
OPTION AND PURCHASE AGREEMENT FOR THE ACQUISITION OF REAL PROPERTY
LOCATED AT 10259 FOLSOM BOULEVARD, APN'S: 027-0213-003, 004, 005

WHEREAS, the Community Redevelopment Agency of the City of Rancho Cordova ("Agency") is a redevelopment agency existing pursuant to the Community Redevelopment Law, California Health and Safety Code Section 33000, *et seq.*, and pursuant to the authority granted there under, Agency has the responsibility to carry out the Redevelopment Plan for the Rancho Cordova Redevelopment Project Area (the "Project Area"); and

WHEREAS, Gennady Shapiro is the owner ("Owner") of certain real property located at 10259 Folsom Boulevard in the City of Rancho Cordova, California, and known as Sacramento County Assessor's Parcel Nos. 027-0213-003, 027-0213-004, 027-0213-005 ("Property"); and

WHEREAS, the Owner desires to sell, and the Agency desires to purchase the Property; and

WHEREAS, Agency staff and the Owner has negotiated an Option and Purchase Agreement (**Exhibit A1**); and

WHEREAS, the Property is located in the Project Area, and the purchase of the Property is consistent with and furthers the goals and objectives of the Redevelopment Plan; and

WHEREAS, funding for option deposit and purchase will be made from Redevelopment Tax Increment.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF RANCHO CORDOVA that it hereby:

- 1) Approves the purchase of the Property from Gennady Shapiro Revocable Trust pursuant to the terms of the Option and Purchase Agreement.
- 2) Authorizes the Executive Director to execute the Option and Purchase Agreement in a form approved by the City Attorney, and to take all actions necessary or appropriate to carry out and implement the Option and Purchase Agreement and to administer the Agency's obligations, responsibilities and duties to be performed under the Option and Purchase Agreement.

PASSED AND ADOPTED by the Board Members of the Community Redevelopment Agency of the City of Rancho Cordova on the ____ day of ____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Cooley, Chair

ATTEST:

Mindy Cuppy, Agency Secretary

EXHIBIT A1

PARCEL NOS.: 027-0213-003, 004 & 005
TITLE REPORT NO.: 09-5007043
PROJECT: Folsom Blvd-Mather Field Rd.

AGREEMENT FOR ACQUISITION OF REAL PROPERTY (ESCROW INSTRUCTIONS)

THIS AGREEMENT ("Agreement") is entered into this 1st day of February, 2010 (the "Effective Date") by and between **THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF RANCHO CORDOVA, a public body, corporate and politic** ("Buyer"), and **GENNADY SHAPIRO, as Trustee of the Gennady Shapiro Revocable Trust** ("Seller") for acquisition by Buyer of certain real property hereinafter set forth. Buyer and Seller are collectively hereinafter referred to as the "Parties."

RECITALS

A. Seller is the fee owner of all that certain real property in the City of Rancho Cordova, County of Sacramento, State of California known as Assessor's Parcel Numbers 027-0213-003, 027-0213-004, and 027-0213-005, as more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference ("Property").

B. Buyer is a redevelopment agency existing pursuant to the Community Redevelopment Law, California Health and Safety Code Section 33000 *et seq.*, and pursuant to the authority granted thereunder has the responsibility to carry out the Redevelopment Plan ("Redevelopment Plan") for the Rancho Cordova Project Area ("Project Area").

C. The Property is located in the Project Area, and Buyer's purchase of the Property as provided for in this Agreement is consistent with and furthers the goals and objectives of the Redevelopment Plan.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **AGREEMENT TO SELL AND PURCHASE**. Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, upon the terms and for the consideration set forth in this Agreement, the Property.

2. **PURCHASE PRICE**. The total purchase price, payable in cash through escrow, shall be the sum of ONE MILLION FIVE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS **(\$1,550,000.00)** ("Purchase Price").

3. **CONVEYANCE OF TITLE**. At the Close of Escrow (as defined below), Seller shall convey by Grant Deed ("Deed") to Buyer marketable fee simple title to the Property free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases, and taxes EXCEPT:

A. The provisions and effect of the Redevelopment Plan;

B. All taxes for the current fiscal year prorated as per **Section 5** hereinafter;

EXHIBIT A1

- C. Quasi-public utility, road and drainage pipeline easements, and rights of way of record; and
- D. Such other conditions, liens, encumbrances, restrictions and exceptions as may be approved in writing by Buyer (collectively, "Permitted Exceptions").

4. **TITLE INSURANCE POLICY.** As a condition of the Close of Escrow, Escrow Agent (as defined below) shall, upon recording the Deed, provide Buyer with CLTA Standard Coverage Policy of Title Insurance in the amount of \$1,550,000.00 for Title Order No. 09-5007043 ("Title Policy"), issued by Fidelity National Title Company showing the title to the Property vested in Buyer, including such endorsements as may be reasonably requested by Buyer, subject only to the exceptions set forth in **Section 3** and the printed exceptions and stipulations in said policy, and conditioned only upon the payment of the premium for the Title Policy and any Buyer-requested endorsements. Buyer agrees to pay the premium charged therefore.

5. **ESCROW.** Buyer agrees to open an escrow ("Escrow") in accordance with this Agreement at Fidelity National Title Company, 8950 Cal Center Drive, Bldg. 3, Suite 100, Sacramento, CA 95826. ("Title Company" or "Escrow Agent"). This Agreement constitutes the joint escrow instructions of Buyer and Seller, together with such additional instructions as may be executed by the Parties and delivered to the Escrow Agent. The Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The Parties agree to do all acts reasonably necessary to close this Escrow in the shortest possible time.

Seller agrees to deposit with Escrow Agent prior to the Close of Escrow the original executed Deed to Buyer, concurrently with this original Agreement executed in triplicate and any other customary agreements, consents, or documents reasonably necessary to effectuate the purchase of the Property. Buyer agrees to deposit the Purchase Price and a certificate of acceptance of Deed upon demand of Escrow Agent.

Insurance policies for fire or casualty are not to be transferred, and Seller will cancel his own policies after Close of Escrow.

All funds received in this Escrow shall be deposited with other escrow funds in a general escrow account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by check from such account.

ESCROW AGENT IS AUTHORIZED AND IS INSTRUCTED TO COMPLY WITH THE FOLLOWING TAX ADJUSTMENT PROCEDURE:

- A. Pay and charge Seller for any unpaid delinquent taxes and/or penalties and interest thereon, and for any delinquent or non-delinquent assessments or bonds against the Property.
- B. In the event Escrow closes between July 1, 2010 and November 1, 2010 and current tax information is not available from Title Company, Escrow Agent is instructed to withhold from Seller's proceeds an amount equal to one hundred twenty percent (120%) of the prorated amount due based upon the previous fiscal year's second half tax bill. At such time that the tax information is available, Escrow Agent shall make a check payable to the County Tax Collector for Seller's prorated portion of taxes and forward same to the Buyer and shall refund any difference to the Seller. In

EXHIBIT A1

the event the amount withheld is not sufficient to pay Seller's prorated portion of taxes due, the Seller herein agrees to immediately pay the difference.

In the event said tax information is available at Close of Escrow, Seller's taxes shall be prorated in accordance with Section "C" below.

- C. From the date that tax information is available, as per Section "B", up to and including June 30th, Seller's current taxes, if unpaid, shall be prorated to date of Close of Escrow on the basis of a three hundred sixty-five (365) day year in accordance with Tax Collector's proration requirements, together with penalties and interest, if said current taxes are unpaid after December 10, 2009 and/or April 10, 2010. At Close of Escrow, a check payable to the County Tax Collector for Seller's pro rata portion of taxes shall be forwarded to Buyer with closing statement.
- D. Any taxes that have been paid by Seller prior to opening of this Escrow shall not be prorated between Buyer and Seller, but Seller shall have the sole right, after Close of Escrow, to apply to the County Tax Collector for refund. This refund shall apply to the period after Buyer's acquisition, pursuant to Revenue and Taxation Code Section 5096.7.

ESCROW AGENT IS AUTHORIZED TO, AND SHALL:

- E. Pay and charge Seller, upon Seller's written approval, for any amount necessary to place title in the condition necessary to satisfy **Section 3** of this Agreement, excluding any penalty for prepayment to any lienholder;
- F. Pay and charge Buyer for any escrow fees, charges, and costs payable under **Section 6** of this Agreement;
- G. Disburse funds and deliver Deed when conditions of this Escrow have been fulfilled by Buyer and Seller.

The term "Close of Escrow" shall mean the date the necessary instruments of conveyance are recorded in the office of the County Recorder. Recordation of instruments delivered through this Escrow is authorized if necessary or proper in the issuance of said policy of title insurance.

All time limits within which any matter herein specified is to be performed may be extended by mutual agreement of the Parties.

TIME IS OF THE ESSENCE IN THESE INSTRUCTIONS AND ESCROW IS TO CLOSE AS SOON AS POSSIBLE. If (except for deposit of money by Buyer, which shall be made by Buyer upon demand of Escrow Agent before Close of Escrow) this Escrow is not in condition to close within three hundred sixty-five (365) days from the Effective Date, any Party then having fully complied with his or its instructions may, in writing, demand the return of his or its money or property; but if neither Party has complied, no demand for return thereof shall be recognized until five (5) days after Escrow Agent shall have mailed copies of such demand to the other Party at the respective addresses shown in these escrow instructions, and if any objections are raised within said five (5) day period, Escrow Agent is authorized to hold all papers and documents until instructed by a court of competent jurisdiction or mutual instruction of the Parties. If no demands are made, the Parties and the Escrow Agent shall proceed with the Close of Escrow as soon as possible. Responsibility for Escrow Agent under this Agreement is expressly limited to **Sections 1, 2, 3, 4, 5,**

EXHIBIT A1

6, 8, 9, 13, 15, and 17 and to its liability under any Title Policy issued in regard to this transaction.

6. **ESCROW FEES, CHARGES AND COSTS.** Buyer agrees to pay all Buyer's and Seller's usual fees, charges, and costs, as applicable, which arise in this Escrow.

7. **PERMISSION TO ENTER ON PREMISES.** Seller hereby grants to Buyer, or its authorized agents, permission to enter upon the Property at all reasonable times prior to Close of Escrow for the purpose of making such inspections, evaluations and tests as Buyer deems necessary or appropriate.

8. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and all such counterparts together shall constitute one and the same instrument.

9. **CLOSING STATEMENT.** Seller instructs Escrow Agent to release a copy of Seller's statement to Buyer and to Overland, Pacific & Cutler, Inc.

10. **POSSESSION OF REAL PROPERTY AND DISPOSITION OF SELLER'S PERSONAL PROPERTY.** Possession of the Property shall be given to Buyer upon the recording of Seller's Deed. All personal property remaining on the Property after recording of Seller's Deed shall become the property of Buyer and Buyer may dispose of same in accordance with applicable law without liability, as it alone sees fit, unless a rental agreement between Buyer and Seller is executed. Any such rental agreement shall not exceed ninety (90) days. Buyer shall not be liable for any loss of or damage to said personal property, regardless of when such loss or damage occurs.

11. **WARRANTIES, REPRESENTATIONS, AND COVENANTS OF SELLER.** Seller hereby warrants, represents, and/or covenants to Buyer that except as otherwise disclosed in writing to Buyer, as of the Effective Date and the Close of Escrow:

- A. To the best of Seller's knowledge, there are no threatened or pending actions, suits, material claims, legal proceedings, or any other proceedings affecting the Property or any portion thereof, at law, or in equity before any court or governmental agency, domestic or foreign, against or affecting the Property or any portion thereof or the interest of Seller in the Property.
- B. To the best of Seller's knowledge, there are no encroachments onto the Property by improvements on any adjoining property, nor do any buildings or improvements encroach on other properties.
- C. Until the Close of Escrow, Seller shall maintain the Property in good condition and state of repair and maintenance, and shall perform all of its obligations under any service contracts or other contracts affecting the Property.
- D. Until the Close of Escrow, Seller shall not do anything which would impair Seller's title to any of the Property.
- E. To the best of Seller's knowledge, neither the execution of this Agreement nor the performance of the obligations herein will conflict with, or breach any of the provisions of any bond, note, evidence of indebtedness, contract, lease, or other agreement or instrument to which the Property may be bound.

EXHIBIT A1

- F. Seller has disclosed to Buyer all material facts concerning the Property, including without limitation information, records, and studies in Seller's possession or reasonably available to Seller relating to the Property and concerning "Hazardous Materials," as defined in **Exhibit B** attached hereto and incorporated herein by this reference.
- G. Seller has received no notice, warning, notice of violation, administrative complaint, judicial complaint, or other formal or informal notice alleging that conditions on the Property are or ever have been in violation of any "Environmental Law," as defined in **Exhibit B**, or informing Seller that the Property is subject to investigation or inquiry regarding Hazardous Materials on the Property or the potential violation of any Environmental Law.
- H. To the best of Seller's knowledge: (i) there is no monitoring program required by the Environmental Protection Agency or any other governmental agency currently in effect regarding the Property; (ii) the Property has not been used as a dump or landfill; and (iii) there are no buried or partially buried storage tanks located on the Property.
- I. Seller has not received any notice from any insurer of defects of the Property that have not been corrected.
- J. Until the Close of Escrow, Seller shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section not to be true as of the Close of Escrow, immediately give written notice of such fact or condition to Buyer.
- K. Seller is not a "foreign person" under Section 1445 of the Internal Revenue Code.
- L. Seller is duly authorized to execute, enter into, and perform all of Seller's obligations under this Agreement

12. **INDEMNIFICATION.**

- A. Seller Indemnification. To the maximum extent permitted by law, Seller shall indemnify, defend (with counsel acceptable to Buyer) and hold harmless Buyer from all loss, cost, liability, expense, damage or other injury, including without limitation attorneys' fees and all other costs and expenses incurred by reason of, or in any manner resulting or arising from: (i) the breach of any representation or warranty contained in this Agreement, including without limitation **Section 11** of this Agreement; (ii) any obligation of Seller not expressly assumed by Buyer related to the ownership or operation of the Property prior to the Close of Escrow; and (iii) personal injury or property damage relating to the Property that occurred prior to the Close of Escrow and not caused by the acts or omissions of Buyer or Buyer's agents, employees, or invitees. This indemnification shall survive termination of this Agreement and the consummation of the Close of Escrow.

EXHIBIT A1

- B. **Buyer Indemnification.** To the maximum extent permitted by law, Buyer shall indemnify, defend (with counsel acceptable to Seller) and hold harmless Seller from all loss, cost, liability, expense, damage or other injury, including without limitation attorneys' fees and all other costs and expenses incurred by reason of, or in any manner resulting or arising from: (i) the breach of any representation or warranty contained in this Agreement; (ii) any obligation of Buyer not expressly assumed by Seller related to the ownership or operation of the Property after the Close of Escrow; and (iii) personal injury or property damage relating to the Property that occurred after the Close of Escrow and not caused by the acts or omissions of Seller or Seller's agents, employees, or invitees. This indemnification shall survive termination of this Agreement and the consummation of the Close of Escrow.

13. **NON-REFUNDABLE DEPOSIT.** Upon the Effective Date, Buyer agrees to deposit in Escrow for the benefit of Seller a the sum of ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000.00) for the right to purchase subject Property within three hundred sixty-five (365) days of the Effective Date (the "Deposit"). The full amount of the Deposit shall be applied to the Purchase Price at Close of Escrow. In the event that there is no Close of Escrow, for any reason other than Seller's breach or default, the Deposit shall be non-refundable to Buyer.

14. **FULL AND COMPLETE SETTLEMENT.** Seller hereby acknowledges that the compensation paid to Seller through this Agreement constitutes the full and complete settlement of any and all claims against Buyer, by reason of Buyer's acquisition of the Property, except those relocation benefits provided for under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, specifically including, but not limited to, any and all rights to participation in the redevelopment of property in the Project Area, the value of the Property, any and all claims in inverse condemnation and for pre-condemnation damages, any and all loss of business goodwill, the nature of which is fully known by Seller and any and all other claim that Seller may have, whether or not specifically mentioned here, relating directly or indirectly to the acquisition by Buyer of this Property; provided, however, that Seller and Buyer, and each and all of their individual and collective agents, representatives, attorneys, principals, predecessors, successors, assigns, administrators, executors, heirs, and beneficiaries, hereby release the other Party, and each of them, from any and all obligations, liabilities, claims, costs, expenses, demands, debts, controversies, damages, causes of action, including without limitation those relating to just compensation, damages, which any of them now have, or might hereafter have by reason of any matter or thing arising out or in any way relating to any condemnation action affecting the Property. The terms and conditions, covenants, and agreements set forth herein shall apply to and bind the heirs, executors, administrators, assigns and successors of the Parties.

Seller hereby acknowledges that he has been advised by his attorney concerning, and is familiar with, the provisions of California Civil Code section 1542, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Seller's Initials

Seller acknowledges that he may have sustained damage, loss, costs or expenses which are presently unknown and unsuspected, and such damage, loss, costs or expenses which may have been sustained may give rise to additional damage, loss, costs or expenses in the future. Seller

EXHIBIT A1

also acknowledges that changes in law may occur in the future which may apply retroactively and may allow Seller to be entitled to further claims for damage, loss, costs or expenses which are presently unknown and unsuspected. Nevertheless, Seller hereby acknowledges that this Agreement has been negotiated and agreed upon in light of that situation, and hereby expressly waives any and all rights which he may have under California Civil Code section 1542, or under any statute or common law or equitable principle of similar effect.

This acknowledgment and release shall survive termination of this Agreement and the consummation of the Close of Escrow.

15. **CONTINGENCY.** It is understood and agreed between the Parties that the completion of this transaction, and the Escrow created hereby, is contingent upon a finding by Buyer that the Property is free of hazardous materials and the compliance by the Buyer with all other laws relating to the acquisition of real property by a public agency. The execution of this Agreement and its delivery to Escrow Agent by the Parties shall constitute acceptance and approval of all terms and conditions of this Agreement.

16. **NO BROKERS.** Each Party warrants and represents to the other Party that no person or entity can properly claim a right to a real estate commission, brokerage fee, finder's fee, or other compensation with respect to the transaction contemplated by this Agreement. Each Party agrees to defend, indemnify and hold harmless the other Party from any claims, expenses, costs or liabilities arising in connection with a breach of this warranty and representation. The terms of this indemnification shall survive termination of the Agreement and the consummation of Close of Escrow.

17. **NOTICES.** Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be in writing, and sent to the respective addresses below or to such other address as is designated by written notice delivered in accordance with this **Section 17**. All such notices shall be sent by:

- A. Personal delivery, in which case notice is effective upon delivery;
- B. Certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by written receipt;
- C. Nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if confirmed by the delivery service; or
- D. Facsimile transmission, in which case notice shall be deemed delivered upon transmittal, provided that (a) a duplicate copy of the notice is promptly delivered by first-class mail, certified mail, or overnight delivery, or (b) a transmission report is generating reflecting the accurate transmission of the notice. Any notice given by facsimile shall be considered to have been received on the next business day if received after 5:00 p.m. recipient's time or on a non-business day (i.e., Saturday, Sunday, or State holiday).

EXHIBIT A1

To Buyer: Community Redevelopment Agency of the City of Rancho
Cordova
2729 Prospect Park Drive
Rancho Cordova, California 95670

To Seller: Gennady Shapiro
8120 Lone Pine Place
Granite Bay, California 95746

To Escrow Agent: Fidelity National Title Company
8950 Cal Center Drive, Bldg. 3, Suite 100
Sacramento, CA 95826.

18. **WAIVERS AND MODIFICATIONS.** No waiver of any breach of any covenant or provision of this Agreement shall be deemed a waiver of any other covenant or provision hereof, and no waiver shall be valid unless in writing and executed by the waiving party. An extension of time for performance of any obligation or act hereunder shall not be deemed an extension of time for the performance of any other obligation or act, and no extension shall be valid unless in writing and executed by the party granting such extension. This Agreement may only be modified or amended by a written instrument executed by the Parties.

19. **SEVERABILITY.** If any term, provision, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged thereby.

20. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws.

21. **NON-LIABILITY OF OFFICIALS, EMPLOYEES AND AGENTS.** No member, official, employee or agent of Buyer shall be personally liable to Seller or his successor(s) in interest in the event of any default or breach by Buyer or for any amount which may become due to Seller or his successor(s) in interest pursuant to this Agreement.

22. **ENTIRE AGREEMENT.** This Agreement, including any exhibits thereto, which are hereby incorporated herein by this reference, contains the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all prior written and oral agreements, understandings, representations or statements between the Parties with respect to the subject matter hereof.

EXHIBIT A1

In witness whereof, THE PARTIES HERETO HAVE EXECUTED THIS Agreement the day and year set forth hereinabove.

DATE: _____

SELLER

BY: _____
GENNADY SHAPIRO, TRUSTEE OF THE
GENNADY SHAPIRO REVOCABLE TRUST

DATE: _____

BUYER

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF RANCHO CORDOVA

BY: _____
Ted Gaebler

ITS: _____
Agency Director

ATTEST:

BY: _____
Mindy Cuppy, Agency Secretary

APPROVED AS TO FORM:

BY: _____
Adam U. Lindgren, Agency Counsel

EXHIBIT A1

Title No. 09-5007043
Locate No. CAFNT0934-0934-0010-0005007043

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL NO. 1:

Lot A as shown on the Plat of Cordova Meadows, filed in the office of the County Recorder of Sacramento County, on November 7, 1955, in Book 42 of Maps, Map No. 32.

PARCEL NO. 2:

All that portion of Lot C as shown on the Plat of Cordova Meadows, filed in the office of the County Recorder of Sacramento County, on November 7, 1955, in Book 42 of Maps, Map No. 32, described as follows:

Beginning at a point on the West line of Lot C located South 22° 25' 40" East 25.01 feet from the most Westerly corner of said Lot C; thence from said point of beginning South 22° 25' 40" East 171.80 feet to the most Southerly corner of said Lot; thence North 58°00' 00" East 25.35 feet to the Southwest corner of Lot A, as shown on said Plat of Cordova Meadows; thence along the East line of Lot C and the West line of Lot A North 22° 25' 40" West 168.42 feet; thence South 65°39' 10" West 25.01 feet to the point of beginning.

EXCEPTING from said Parcel No. 1 and Parcel No. 2 all oil, gas and other hydrocarbon substances in and under said land below a depth of five hundred feet, without the right of surface entry, as set forth in Deed executed by Atlantic Richfield Company, a Pennsylvania corporation, recorded December 20, 1974, in Book 741220, Page 338 of Official Records.

PARCEL NO. 3:

All that portion of Lots C, 22 and 23, of Cordova Meadows, according to the official plat thereof, filed in the office of the Recorder of Sacramento County, California, in Book 42 of Maps, Map No. 32, described as follows:

Beginning at a point on the Westerly line of said Lot 23 at the intersection of the Southerly line of El Caprice Drive as shown on the Plat of Cordova Meadows Unit No. 14, recorded in Book 74 of Maps, Map No. 17, located North 22° 25' 40" West 1.34 feet from the most Westerly corner of said Lot 22; thence from said point of beginning South 22° 25' 40" East 78.20 feet to the most Southerly corner of said Lot 22 and the most Westerly corner of said Lot C; thence along the Westerly line of said Lot C, South 22° 25' 40" East 25.01 feet to the intersection of the Southwesterly production of the Northwesterly line of Lot A of said Cordova Meadows; thence along said last mentioned line North 65° 39' 10" East 131.23 feet to the Westerly line of Paseo Drive as shown on the map of said Cordova Meadows; thence along said Westerly line on an arc of a curve to the right on a radius of 1326.75 feet, said arc being subtended by a chord bearing North 23° 40' 10" West 82.10 feet to the intersection of the Southerly line of said El Caprice Drive and the Westerly line of said Paseo Drive; thence along the Southerly line of said El Caprice Drive, on an arc of a curve to the left on a radius of 20.00 feet, said arc being subtended by a chord bearing North 68° 02' 50" West 28.26 feet; thence continuing along said Southerly line, South 65° 45' 10" West 108.80 feet to the point of beginning.

APN: 076-0213-003, 076-0213-004, 076-0213-005

EXHIBIT B

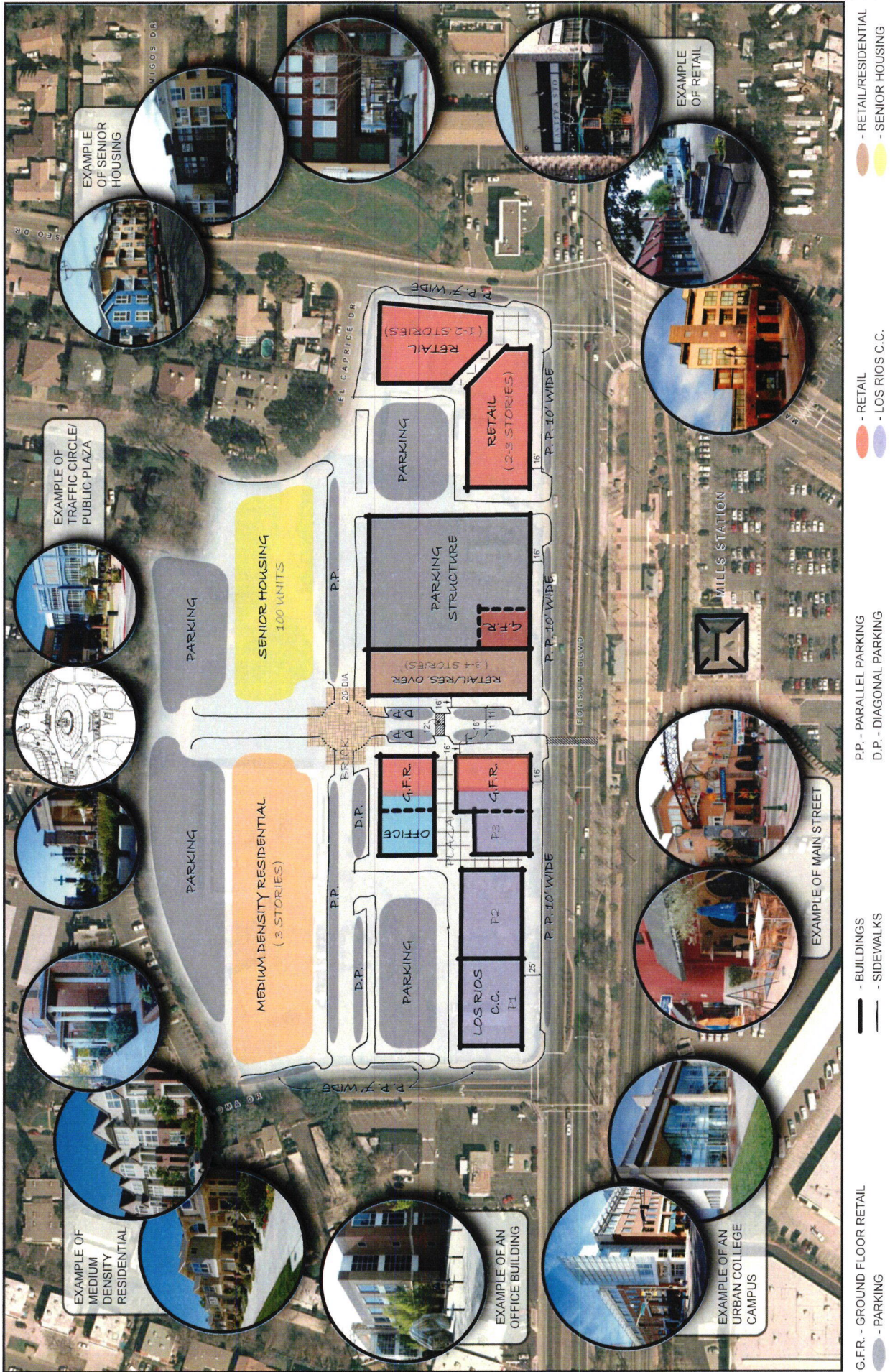
HAZARDOUS MATERIALS; ENVIRONMENTAL LAW

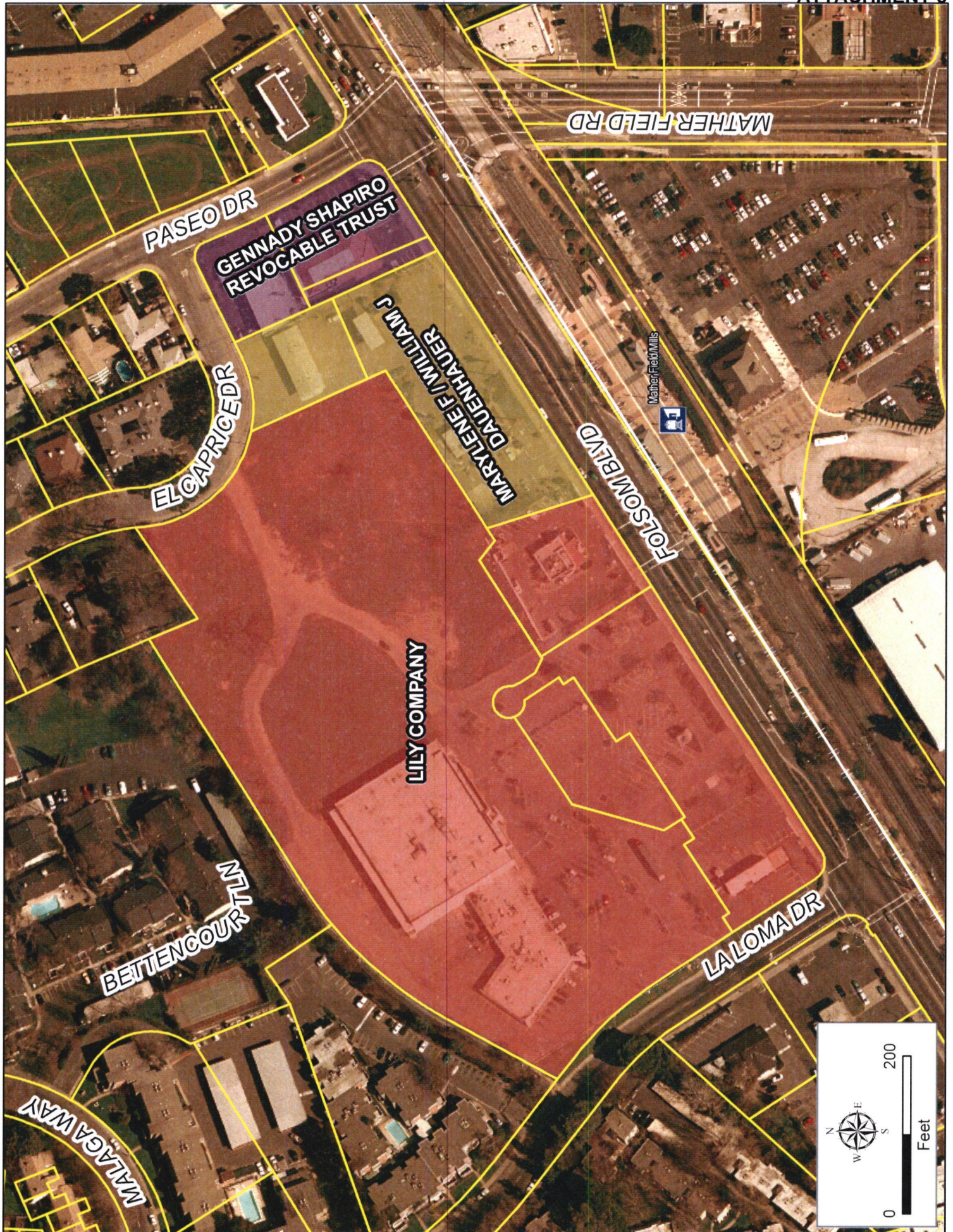
"Hazardous Materials" means any substance, material or waste which is or becomes regulated by any federal, state or local governmental authority, agency or governmental body, and includes without limitation (i) petroleum or oil or gas or any direct or indirect product or by-product thereof; (ii) asbestos and any material containing asbestos; (iii) any substance, material or waste regulated by or listed (directly or by reference) as a "hazardous substance", "hazardous material", "hazardous waste", "toxic waste", "toxic pollutant", "toxic substance", "solid waste" or "pollutant or contaminant" in or pursuant to, or similarly identified as hazardous to human health or the environment in or pursuant to, the Toxic Substances Control Act [15 U.S.C. 2601, et seq.]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, et seq.], the Hazardous Materials Transportation Authorization Act [49 U.S.C. Section 5101, et seq.], the Resource Conservation and Recovery Act [42 U.S.C. 6901, et seq.], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, et seq.], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, et seq.], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, et seq.], the California Hazardous Waste Act [California Health and Safety Code Section 25100, et seq.], the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code Section 25249.5, et seq.], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, et seq.], as they now exist or are hereafter amended, together with any regulations promulgated thereunder; (iv) any substance, material or waste which is defined as such or regulated by any "Superfund" or "Superlien" law, or any Environmental Law; (v) any material determined to be hazardous based on deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity or toxicity; or (vi) any other substance, material, chemical, waste or pollutant identified as hazardous or toxic and regulated under any other federal, state or local environmental law, including without limitation, asbestos, polychlorinated biphenyls, petroleum, natural gas and synthetic fuel products and by-products.

"Environmental Law" means all federal, state or local statutes, ordinances, rules, regulations, orders, decrees, judgments or common law doctrines, and provisions and conditions of permits, licenses and other operating authorizations regulating, or relating to, or imposing liability or standards of conduct concerning (i) pollution or protection of the environment, including natural resources; (ii) exposure of persons, including employees and agents, to Hazardous Materials (as defined above) or other products, raw materials, chemicals or other substances; (iii) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities; (iv) the manufacture, use or introduction into commerce of chemical substances, including without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal; or (iv) the use, release or disposal of toxic or hazardous substances or Hazardous Materials or the remediation of air, surface waters, groundwaters or soil, as now or may at any later time be in effect, including but not limited to the Toxic Substances Control Act [15 U.S.C. 2601, et seq.]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, et seq.], the Hazardous Materials Transportation Authorization Act [49 U.S.C. Section 5101, et seq.], the Resource Conservation and Recovery Act [42 U.S.C. 6901, et seq.], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, et seq.], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, et seq.], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, et seq.], the

EXHIBIT A1

California Hazardous Waste Act [California Health and Safety Code Section 25100, et seq.], the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code Section 25249.5, et seq.], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, et seq.], as they now exist or are hereafter amended, together with any regulations promulgated thereunder.





MEMORANDUM



DATE: February 1, 2010
TO: Honorable Mayor and Council Members
FROM: Cyrus Abhar, Public Works Director
SUBJECT: TEICHERT QUARRY PROPOSAL, STATUS UPDATE ON EAST COUNTY QUARRIES PROCESSING

RECOMMENDATION

Receive and file updated information on the mining applications being processed by Sacramento County.

RESULT OF RECOMMENDED ACTION

Staff is preparing a detailed response to the County and will shape that response based on comments and direction from the Council.

BACKGROUND

Sacramento County is currently processing three applications for hard rock quarries in east Sacramento County submitted by Teichert Aggregates (initiated in 2002, 25 year operation), Granite Construction (2005, 100 year operation) and DeSilva-Gates Construction (2006, 100 year operation). They are located in the vicinity of Scott Road, ranging from one to three miles south of White Rock Road. These properties are approximately 3 miles east of Grant Line Road.

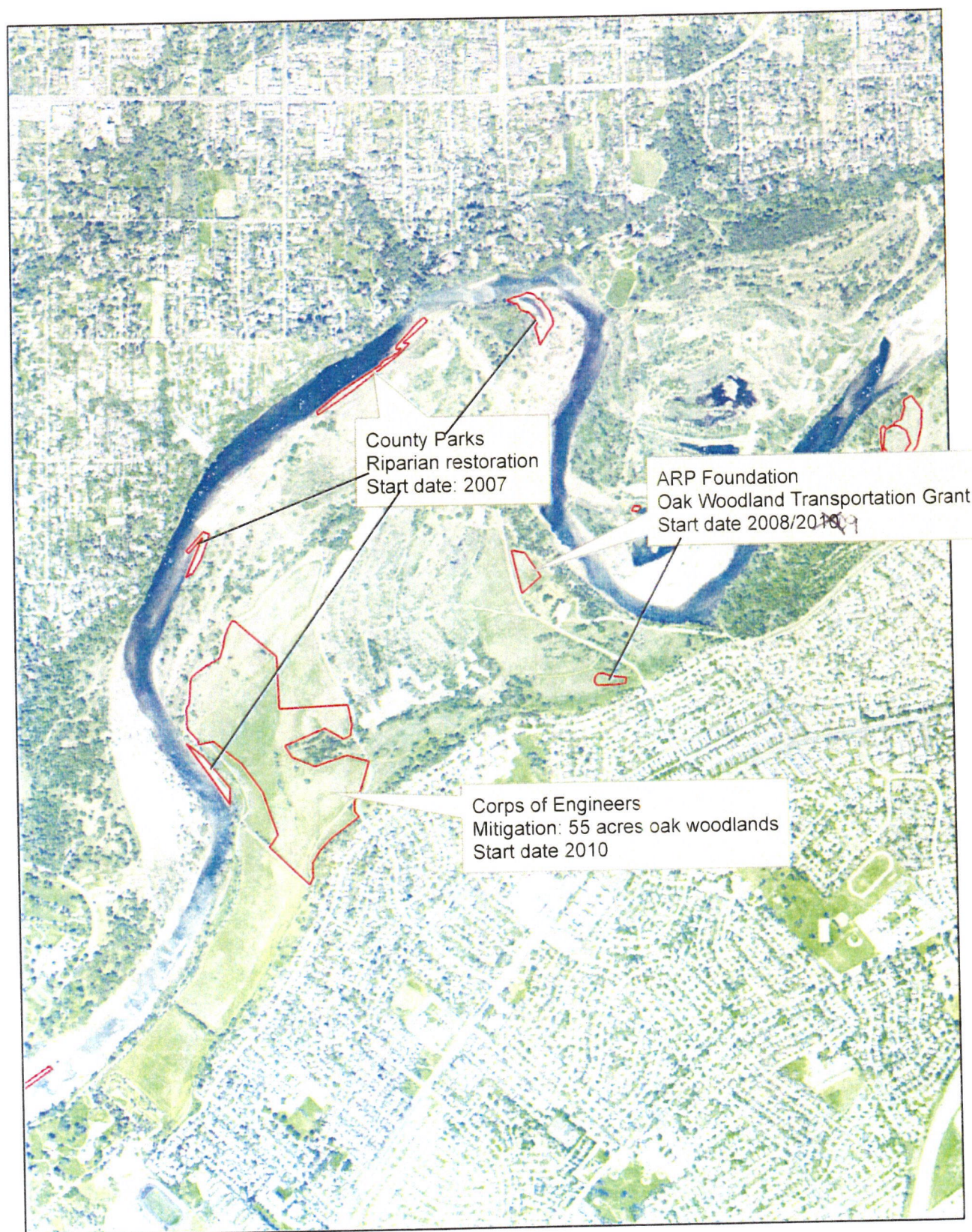
City staff initially discussed the County mining permit requests as an informational item at the October 20, 2008 Council Meeting. Recognizing that the City needs aggregate to build and maintain our infrastructure, the following issues of concern were expressed at the meeting.

- Quality of Life/Livability – As the east county area builds out will these operation be compatible with the encroaching suburban environment?
- Effects on our Job Center – Can these quarry operations be effectively mitigated so that employers continue to choose to locate in the City?
- Effects on Transportation System – What kinds of roadway improvements and roadway maintenance will be needed to support mining activity?
- Truck Routing – What City streets will these aggregate haulers choose to use and how can through trips on City streets be constrained?
- Mitigation Measures – Are the proposed mitigation measures sufficient to safeguard our transportation system and adjacent land uses?

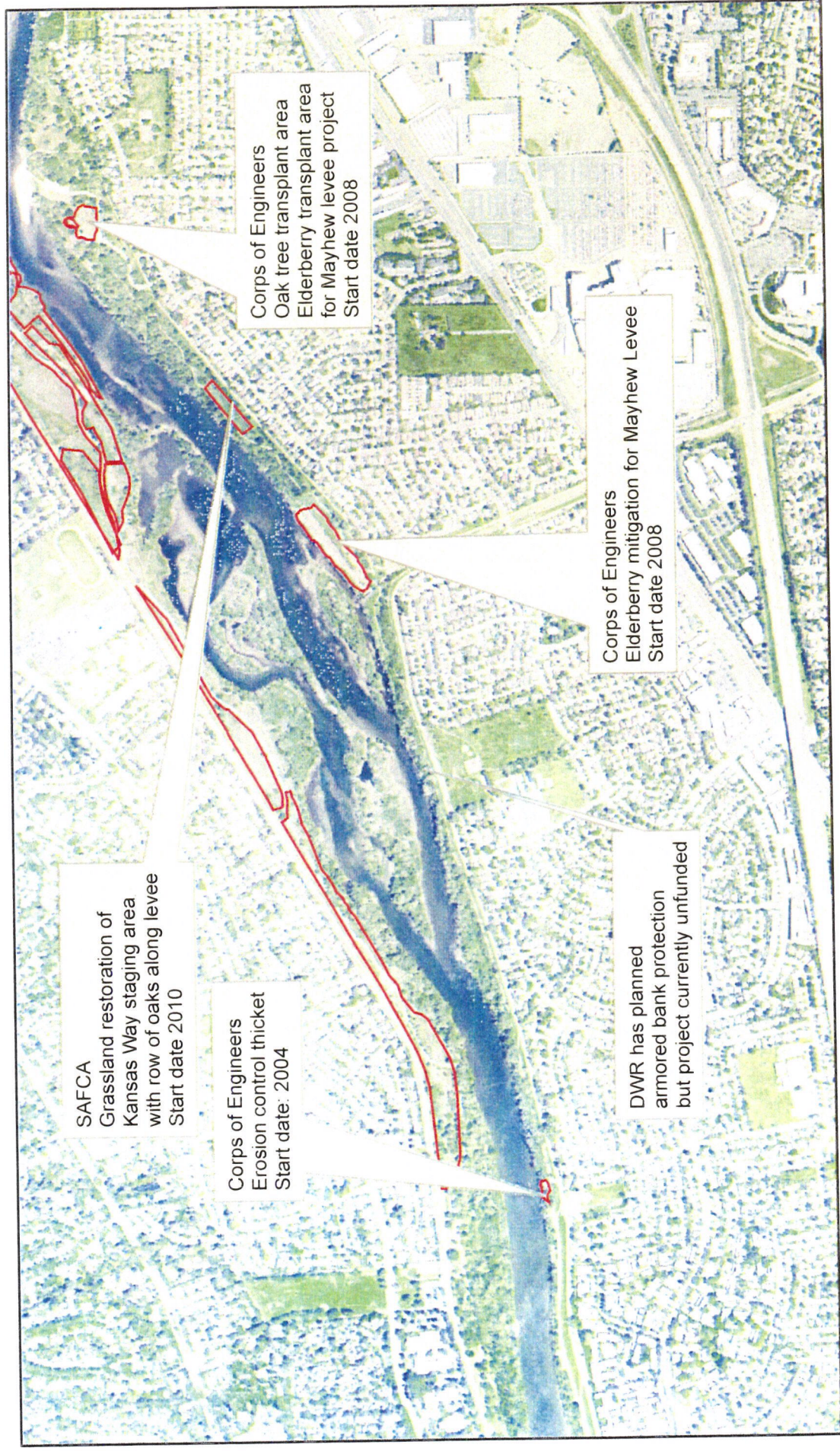
In the summer of 2009 Sacramento County organized a Truck Routing Study that was intended to promote a collaborative approach for truck routing and to clearly identify roadway improvement needs throughout the sub-region. The study would also “de-mystify” the probable magnitude of operations based on regional aggregate demand and would clarify the effects of truck trips on the transportation system.

On March 8, 2010 the County Planning Commission will meet to process conditions of approval and the development agreement for the Teichert Mining Application. The Granite - Walltown Quarry draft environmental document will be released for public comment this winter, and the DeSilva-Gates Quarry will follow along an unspecified timeline.

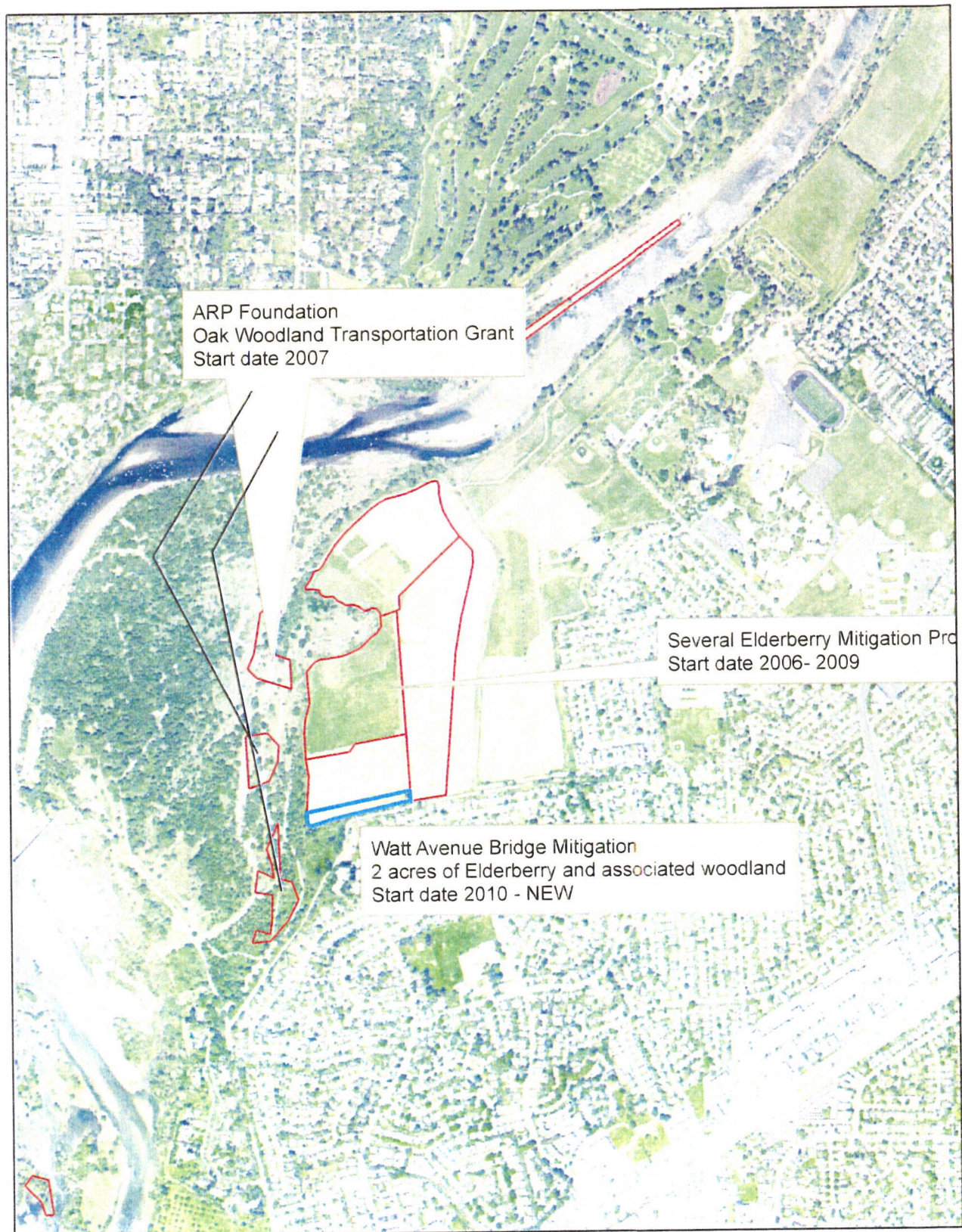
Existing Planting/Mitigation Sites at Rossmoor Bar



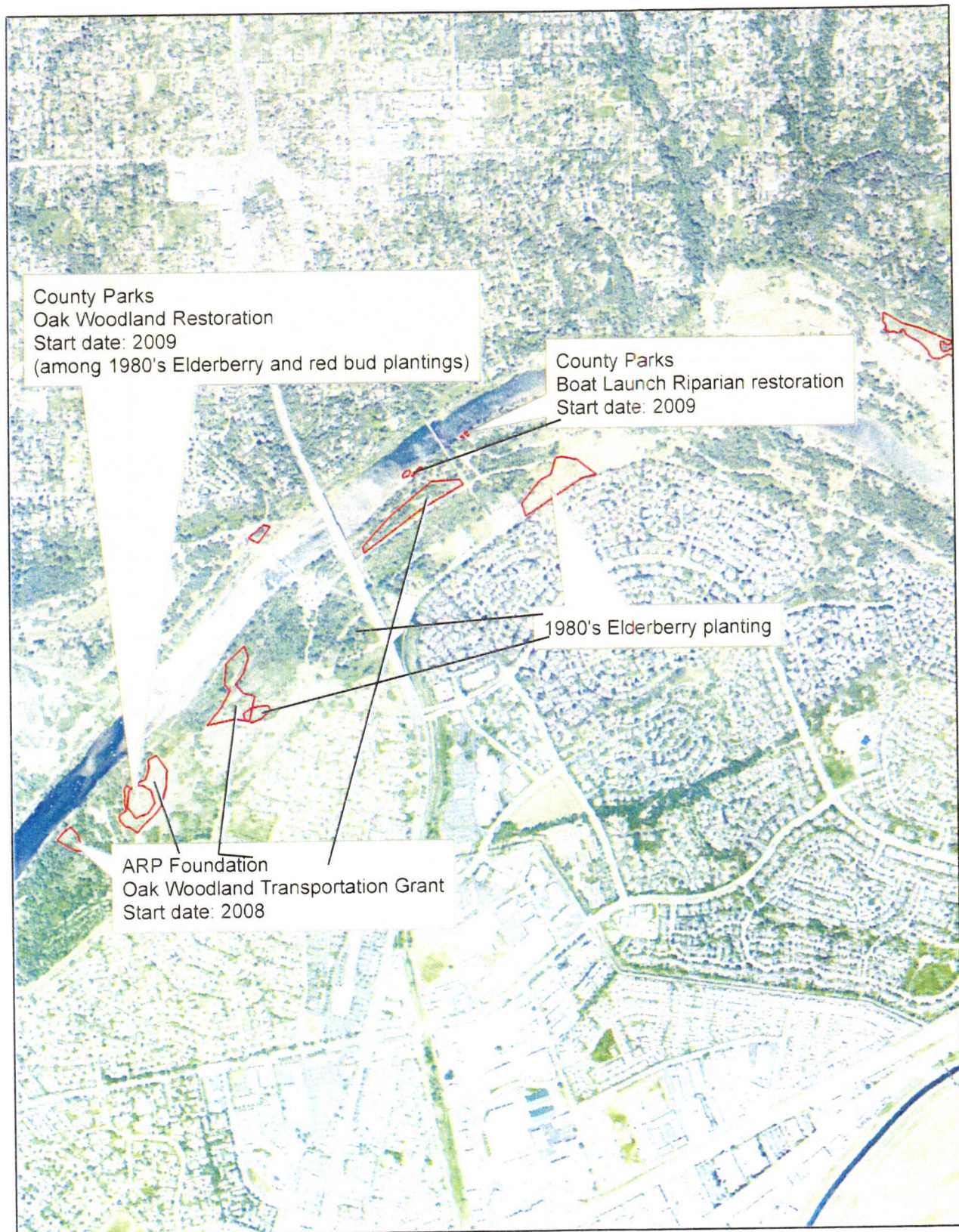
Existing and Planned Planting/Mitigation Sites at Gristmill/SARA park



Existing and Planned Planting/Mitigation Sites at River Bend Park



Existing Planting/Mitigation Sites at Sunrise Area



American River Parkway
Measure A Projects within Rancho Cordova

1. Upper River Trail Repairs & Striping

Scope: Along the upper portion of the trail, from approximately William B. Pond Recreation Area to the Nimbus Fish Hatchery, asphalt repairs and new centerline striping will be conducted. This includes the removal of tree roots that are buckling the pavement and subsequent asphalt repair, as well as removal and repair of other major cracked or pot-holed sections of the trail.

Schedule: Construction is expected in March/April, 2010

2. Mile 22 Retaining Walls

Scope: Downstream from Hazel Fish Hatchery, three walls, totaling approximately 325 linear feet, of dry-stacked boulder retaining walls will be installed to retain cobble piles from trail and make room for a decomposed granite shoulder on the south side of the trail. Three trees will need to be removed to make room for the new walls, some of which will be mitigated for. Minor grading along the shoulder, where no wall will be installed, will take place to smooth and level the areas for shoulder installation as well.

Schedule: Construction is expected in April and May, 2010

3. Mile 16 Fence Removal

Scope: Approximately 1.5 miles of chain link fence near Hagen Park will be removed. Dead and/or hazardous trees growing within the fence line will be removed for safety reasons. All other trees will be preserved to the greatest extent possible.

Schedule: Estimated to go into construction Spring/Summer 2010

4. El Manto Restroom Installation

Scope: The proposed project is to install a new, prefabricated restroom building at the El Manto Picnic Area, including a new septic tank and leach field. Along with the restroom, the project includes installation of concrete walkway around building and to existing asphalt path, a bike rack and a new drinking fountain.

Schedule: Estimated to go into construction during Summer/Fall 2010

5. Mile 20 Erosion & Shoulder Improvements

Scope: Just upstream from the Upper Sunrise Boat Launch, conduct bank stabilization, shoulder repairs, drainage improvements and erosion control with geo-textile material and vegetative cover.

Schedule: Estimated to go into construction in October/November 2010

East County Quarry Update

Overview of Sacramento County Entitlement Progress

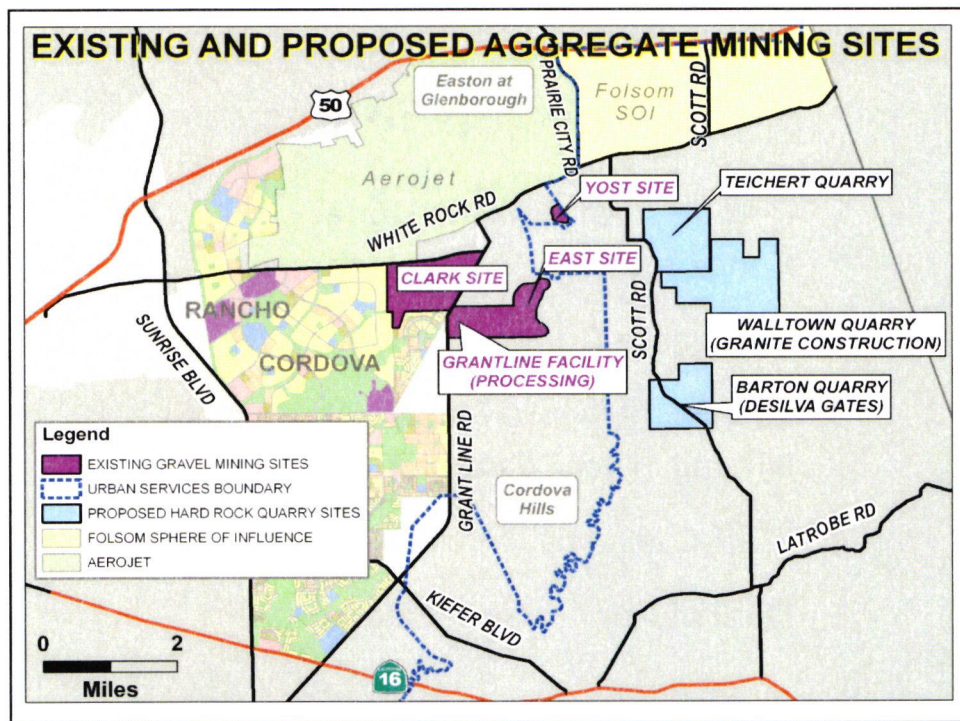
City Council Meeting
February 1, 2010

Discussion Topics

- 1. Reminder of Permits Under Consideration**
- 2. Aggregate Demand, 2005 and Future**
- 3. East Sacramento Region Aggregate Mining Truck Management Plan**
- 4. Staff Concerns, Teichert EIR**
- 5. Quarry Application Schedule**

Entitlement Requests

	Maximum Annual Production
• Teichert Quarry NOP 2002, 25 year operation	7 million tons
• Granite (Walltown) NOP 2005, 100 year operation	6 million tons
• DeSilva Gates Quarry NOP 2006, 100 year operation	6 million tons
Maximum Permitted	19.0 million tons
<i>Expected Max. Production</i>	<i>13.5 million tons</i>



2005 Operations

- **2005 Estimated Demand** for Sacramento County
 - 11.8 mil tons
 - 9.2 mil tons produced the remainder was imported
 - *Production occurred along the Jackson Corridor (20% on Grant Line)*
- **Yuba County** production is similar in weight to Sacramento County
 - Most activity in Gold Fields along banks of Yuba River
 - Surface Mining/Tailings
 - *Operators – Teichert, Western Aggregates, Baldwin*

50 Year Aggregate Demand

- **Statewide** 13.5 bil tons needed (about 5% in Sac Co.)
- **Top 5 areas** (*need over 1 bil tons over 50 Years*) – San Bernardino, San Gabriel Valley, South San Francisco, Temescal Valley (OC), Western San Diego Co.
- **#6 Sacramento County** needs 733 mil tons in next 50 years*, *67 mil tons (about 9%) currently permitted*

* 50 year Demand Figures From 2006 California Geological Survey

East Sacramento Region Aggregate Mining Truck Management Plan

- Study initiated in the Summer of 2009
- Participants
 - Affected Local Jurisdictions
 - Caltrans/Capital Southeast Connector
 - Quarry Operators
 - Folsom SOI Land Owner Representative
 - AeroJet

Future Sacramento Area Demand

- Sacramento County Annual Aggregate Demand Could Reach 13.5 mil tons per year in next 20+ years*

Based on existing population and projected population growth

- 330 tons per new home,
- 100 tons per new employee,
- 5.3 tons per house per year for maintenance

* Based on East Sacramento Region Aggregate Truck Management Plan

Truck Trips

Based on 13.5 mil tons per year,

- Average Daily truck trips 3,800 per day
- Could be as high as 6,700 trips on busy days
- Peak period for trucks - 6AM to 2PM – *380 to 670 truck trips per hour*

Where Trucks Want to Go

- 30% to Highway 50 at Zinfandel *and points west*
- 27% to Jackson @ Grant Line *and points south and west*
- 28% to City of Folsom, El Dorado County and areas north of Highway 50
- 15 % to Greater Rancho Cordova Area

Note: Assumes 2% of aggregate distributed to northern San Joaquin County

JULY 10, 2009

DKS Associates
REALTY & ASSOCIATES

- Current Traffic Volumes

20,000 vehicles per day *west of Sunrise Blvd.*

Truck Volume: 2,400 trucks a day

12% of all vehicles

40% of available capacity

– Additional Quarry Truck Traffic (from Truck Management Plan; 13.5 mil tons per year from all quarries):

- 240 to 680 trucks average per day
- Could be as high as 430 to 1,200 trucks on busy days

Grant Line Road Statistics

- Current Traffic Volumes
6,500 vehicles per day South of Douglas Road
Truck Volume: 1,300 trucks/day or about 20%
- Additional Quarry Truck Traffic *(from Truck Management Plan; 13.5 mil tons per year from all quarries):*
 - 1,300 trucks average per day
 - Could be as high as 2,300 trucks on busy days

Staff Concerns

Traffic impact mitigation measures are being negotiated between Sacramento County and the mining applicants.

Mitigation measures need clarification

- How will “Fair Share” funds be administered?
- Which truck routes will be “re-engineered”?
- Will there be pavement monitoring sites in the City?
- How will maintenance funds be administered?

Staff Concerns

- Land Use Compatibility/Air Quality & Noise
 - Noise and Air Quality analyses indicated that there are no noise impacts in Rancho Cordova, and that there are no sensitive receptors that would trigger a Health Risk Assessment.
 - *City staff is concerned that theses analyses are inadequate.*
 - *The City of Folsom prepared an ancillary analysis in January of 2010 that indicated that noise and air quality impacts in the Folsom SOI should be re-evaluated.*
 - Noise and Air Quality evaluations need to be re-evaluated for existing and proposed developments in Rancho Cordova.

Quarry Application Schedule

- **Teichert Quarry EIR**, to Sacramento County Planning Commission on **March 8, 2010**
- **Walltown Quarry Granite EIR**, release draft for public comment this winter
- **DeSliva Gates Quarry**, *processing on hold*