

CONCURRENT MEETING
CITY COUNCIL/CRA/RCFC

Monday, October 5, 2009

5:30 p.m. – Regular Meeting

AGENDA



Dan Skoglund, Mayor

Ken Cooley, Vice Mayor

Robert J. McGarvey, Council Member

David Sander, Council Member

Linda Budge, Council Member

Rancho Cordova City Council/CRA/RCFC – AGENDA
Regular Meeting of October 5, 2009

2009

NOTE: PROPOSED REGULAR CITY COUNCIL MEETING DATES ARE SCHEDULED ON THE 1ST AND 3RD MONDAYS OF EACH MONTH, UNLESS WHEN FALLING ON A HOLIDAY, THE MEETING WILL BE SCHEDULED ON THE FOLLOWING TUESDAY (THESE DATES ARE SHADDED GREY 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	
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NEW YEAR'S DAY (THURS, JAN 1)
MARTIN LUTHER KING JR. DAY (MON, JAN 19)
PRESIDENT'S DAY (MON, FEB 16)
MEMORIAL DAY (MON, MAY 25)

2009 PROPOSED HOLIDAY SCHEDULE – CITY HALL CLOSED (SHOWN ITALICIZED)
INDEPENDENCE DAY (FRI, JUL 3 [OBSERVED])
LABOR DAY (MON, SEP 7)
VETERAN'S DAY (WED, NOV 11)
THANKSGIVING DAY (THUR, NOV 26)

DAY AFTER THANKSGIVING (FRI, NOV 27)
CHRISTMAS EVE (THURS, DEC 24)
CHRISTMAS DAY (FRI, DEC 25)

2010

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NEW YEAR'S DAY (FRI, JAN 1)
MARTIN LUTHER KING JR. DAY (MON, JAN 18)
PRESIDENT'S DAY (MON, FEB 15)
MEMORIAL DAY (MON, MAY 31)

2010 PROPOSED HOLIDAY SCHEDULE – CITY HALL CLOSED (SHOWN ITALICIZED)
INDEPENDENCE DAY (SUN, JUL 4)
LABOR DAY (MON, SEP 6)
VETERAN'S DAY (THUR, NOV 11)
THANKSGIVING DAY (THUR, NOV 25)

DAY AFTER THANKSGIVING (FRI, NOV 26)
CHRISTMAS EVE (FRI, DEC 24)
CHRISTMAS DAY (SAT, DEC 25)

2011

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

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

Monday, October 5, 2009

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

AGENDA

1. REGULAR MEETING – CALL TO ORDER / ROLL CALL

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

2. METRO CABLE TV TELEVISION ANNOUNCEMENT

The 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

Katie Nielsen, First Covenant Church, will give the invocation.

5. PRESENTATIONS

5.1 Presentation of Certificates of Appreciation to Neighborhood Traffic Safety Committee (NTSC) Members Russell Blair, Mickey Boughton, Matt Cummings, Dennis Dunn, and Gerry Lane.

5.2 Presentation of Proclamation to Hometown Hero Zack Hatch and Report on Experience of Flying in a Thunderbird Jet Plane at the California Capital Airshow.

6. PUBLIC COMMENT

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

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

7. COUNCIL REPORTS

8. CONSENT CALENDAR ITEMS – ROLL CALL VOTE

8.1 **Subject:** Adoption of Minutes:

- a) Special and Regular Meeting of September 21, 2009
- b) Special Meeting of September 29, 2009

Recommendation: Adopt Minutes.

8.2 **Subject:** Ordinance Amending City of Rancho Cordova Special Police Tax

Recommendation: Waive second reading and adopt Ordinance No. 15-2009. **(Roll Call Vote)**

Result of Recommended Action: Adoption of this ordinance will result in a decrease in non-residential tax rates from 25 cents for each square foot of gross parcel area in zones, 2A, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37 and 38. Other minor clarifications are also included.

Staff Report: Donna Silva, Finance Department and Adam U. Lindgren, City Attorney's Office

Advances Goals: 1, 4, 6, 8 and 11

8.3 **Subject:** Resolution Creating Special Tax Area Zone 8 and Ordinance Establishing a Special Tax for Transit-Related Services for the Fite Corporate Center Buildings

Recommendation: That Council:

- a) Adopt Resolution No. 88-2009; and
- b) Waive first reading and introduce Ordinance No. 18-2009.

Result of Recommended Action: Adoption of this resolution and ordinance will assist the City to meet the costs of providing transit-related services by creating a special tax area zone and establishing a special tax for transit-related services for the Fite Corporate Center Buildings.

Staff Report: Cyrus Abhar, Public Works Department

Advances Goals: 2 and 11

8.4 **Subject:** Resolution Creating Special Tax Area Zone 16 and Ordinance Establishing a Special Tax for Transit-Related Services for the 11301 Dismantle Court Project

Recommendation: That Council:

- c) Adopt Resolution No. 90-2009; and
- d) Waive first reading and introduce Ordinance No. 19-2009.

Result of Recommended Action: Adoption of this resolution and ordinance will assist the City to meet the costs of providing transit-related services by creating a special tax area zone and establishing a special tax for transit-related services for the 11301

Dismantle Court Project.

Staff Report: Cyrus Abhar, Public Works Department

Advances Goals: 2 and 11

- 8.5 **Subject:** Resolution of the City Council Adopting an Neighborhood Stabilization Program (NSP) Income Reuse Plan

Recommendation: Adopt Resolution No. 96-2009.

Result of Recommended Action: Adoption of this resolution will approve the NSP Income Reuse Plan and make the City eligible to enter into an agreement with the State for disbursing NSP funds.

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

Advances Goals: 1, 4, 5, 6, 7, 8, 9, 11, and 13

GROWING STRONG NEIGHBORHOODS

- 8.6 **Subject:** Resolutions Approving Agreement Between the City of Rancho Cordova and the County of Sacramento Regarding Revenue Sharing Upon Annexation of Sunrise-Folsom Area to City of Rancho Cordova and Tax Exchange Agreement Between the County of Sacramento and the City of Rancho Cordova, Relating to the Rancho Cordova Sphere of Influence

Recommendation: That Council:

- a) Adopt Resolution No. 92-2009 Approving an Agreement with the County of Sacramento Regarding Revenue Sharing; and
- b) Adopt Resolution No. 93-2009 Approving Tax Exchange Agreement with the County of Sacramento for the Rancho Cordova Sphere of Influence

Result of Recommended Action: Approval of the two agreements will complete the property tax negotiation process required by law as a result of the City's application to the Sacramento Local Agency Formation Commission (LAFCO) to annex its sphere of influence, resolve the lawsuit the City filed against the County regarding the property tax negotiations, and allow the LAFCO Executive Director to set the annexation application for hearing before LAFCO.

Staff Report: Joe Chinn, City Manager's Office and Adam U. Lindgren, City Attorney's Office

Advances Goals: 1, 4, 6, 7, 8, 9, 11, and 12

9. CONSENT PUBLIC HEARING ITEMS

NONE

10. PUBLIC HEARING ITEMS

- 10.1 **Subject:** Resolution Approving the Adoption of a Substantial Amendment to the 2008-2009 Community Development Block Grant (CDBG) Action Plan

Recommendation: Adopt Resolution No. 100-2009.

Result of Recommended Action: Adoption of this resolution will authorize the City Manager to submit an amendment to the 2008-2009 CDBG Action Plan to the U.S. Department of Housing and Urban Development (HUD).

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

Advances Goals: 1, 4, 8, 9, 10, 11, and 13

GROWING STRONG NEIGHBORHOODS

- 10.2 **Subject:** Resolution to Reconsider Planning Commission Decision Amending the Conditions of Approval Related to the “Fusion” Design Review Amendment (Project No. DD6590) Located Along Atherstone Drive in Capital Village

Recommendation: That Council:

- a) Find that the Mitigated Negative Declaration (MND) previously prepared for the Capital Village project adequately addresses environmental impacts consistent with the California Environmental Quality Act (CEQA); and
- b) Adopt Resolution No. 99-2009.

Result of Recommended Action: Adoption of this resolution will allow Council to review the Planning Commission decision approving the Capital Village Fusion Townhome Design Review Amendment. The applicant is proposing to modify the previously approved designs ultimately modifying the Conditions of Approval established by a prior Design Review entitlement to allow building permits to be obtained for construction of three townhome buildings on eighteen parcels (lots 360-365; lots 366-371; and lots 372-377) north of Village Green Park in Capital Village.

Staff Report: Jeffrey S. Beiswenger, Planning Department

Advances Goals: 1, 5, 7, and 8

11. REGULAR CALENDAR ITEMS

- 11.1 **Subject:** Resolutions Authorizing the City Manager to Execute Construction Contract No. 117-2009 with DeSilva Gates Construction to Provide the Construction of the International Drive Extension Project in the Amount of \$7,684,408; Execute Contract No. 114-2009 with Quincy Engineering, Inc. to Provide Construction Management in the Amount of \$1,027,500; and Execute Fourth Contract Amendment No. 87-2009 with Wood Rodgers, Inc. to Provide Construction Engineering and Surveying Services in the Amount of \$155,500 for the International Drive Extension Project

Recommendation: That Council:

- a) Adopt Resolution No. 94-2009 Authorizing the City Manager to Execute Construction Contract No. 117-2009 with DeSilva Gates Construction; and
- b) Adopt Resolution No. 95-2009 Authorizing the City Manager to Execute Contract No. 114-2009 with Quincy Engineering, Inc.; and
- c) Adopt Resolution No. 82-2009 Authorizing the City Manager to Execute Fourth Contract Amendment No. 87-2009 with Wood Rodgers, Inc.

Result of Recommended Action: The work performed under the construction and professional services contracts includes the furnishing of all labor, materials, equipment, and all construction management services for construction of the extension of International Drive as a six-lane roadway from Kilgore Road to Sunrise Boulevard. Included in the project will be the widening of Sunrise Boulevard to allow a six-lane configuration, two new signalized intersections at the Monier Circle/Sunrise Boulevard/International Drive, and at Kilgore Road/International Drive. Construction of a new bridge over the Folsom South Canal along with the construction of raised concrete medians, retaining walls, bike paths and sound walls.

Staff Report: Cyrus Abhar, Public Works Department

Advances Goals: 1, 6, 7, 8 and 11

GROWING STRONG NEIGHBORHOODS

12. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

13. CITY MANAGER’S REPORT

14. 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 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, October 13, 2009</i>	<i>5:30 p.m. Work Session on 2009-10 Fiscal Status Update and 2008-09 Fourth Quarter Financial Report</i>
<i>Monday, October 19, 2009</i>	<i>4:00 p.m. Study Session on Folsom Boulevard Specific Plan Update - Status Report</i> <i>5:30 p.m. Regular Meeting</i>
<i>Tuesday, October 27, 2009</i>	<i>5:30 p.m. Work Session on Rio del Oro Project Overview and Discussions of Limited Entitlement</i>
<i>Monday, November 2, 2009</i>	<i>4:00 p.m. Study Session on TBD</i> <i>5:30 p.m. Regular Meeting</i>
Wednesday, November 11, 2009	VETERAN'S DAY HOLIDAY – CITY HALL CLOSED
<i>Monday, November 16, 2009</i>	<i>5:30 p.m. Regular Meeting</i>

<i>Tuesday, November 17, 2009</i>	<i>5:30 p.m. Special Meeting – CLOSED SESSION - Annual Review and Development for City Manager and Departments</i>
Wednesday, November 25, 2009	FURLOUGH DAY – CITY HALL CLOSED
Thursday & Friday, November 26 and 27, 2009	THANKSGIVING DAY HOLIDAY – CITY HALL CLOSED
<i>Monday, December 7, 2009</i>	<i>4:00 p.m. Study Session on TBD 5:30 p.m. Regular Meeting</i>
<i>Monday, December 21, 2009</i>	<i>5:30 p.m. Regular Meeting</i>
Wednesday, December 23, 2009	FURLOUGH DAY – CITY HALL CLOSED
Thursday and Friday, December 24 & 25, 2009	CHRISTMAS HOLIDAY – CITY HALL CLOSED
Thursday, December 31, 2009	FURLOUGH DAY – CITY HALL CLOSED

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 & Parks 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

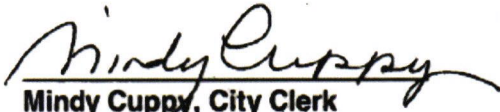
The Rancho Cordova City Council/CRA/RCFC will be videotaped in its entirety and will be cablecast without interruption on Metro Cable 14, the Government Affairs Channel on the Comcast and SureWest Cable Systems. Closed Captioning will be available on the playback cablecast. Tune to Metro Cable Channel 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 Granicus Video Streaming from the City's website within 48 hours of adjournment of this meeting. The City does not control scheduling of this telecast and persons interested in watching the televised meeting should confirm this schedule with Metro Cable TV, Channel 14.

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

CERTIFICATION OF POSTING OF AGENDA

I, Mindy Cuppy, City Clerk for the City of Rancho Cordova, declare that the foregoing agenda for the October 5, 2009 Regular Meeting of the Rancho Cordova City Council/CRA/RCFC was posted and available for review on October 1, 2009 at City Hall of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California, 95670. The agenda is also available on the city web site at www.cityofranhocordova.org.

Signed this 1st day of October 2009 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

Monday, September 21, 2009

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

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

MINUTES

A. CLOSED SESSION ITEM

Council will met in Closed Session to discuss the following items:

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

Mayor Skoglund called the closed session to order in the Community Board Room at 5:09 p.m.

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

Staff Present: Lindgren, Junker, Haven, Chinn, and Gaebler

B. ADJOURNMENT OF CLOSED SESSION

Mayor Skoglund adjourned the closed session at 5:34 p.m.

1. REGULAR MEETING – CALL TO ORDER / ROLL CALL

Mayor Skoglund called the regular meeting to order in the Council Chambers at 5:42 p.m.

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

Staff Present: Gaebler, Lindgren, Chinn, Cuppy, Lehr, Oliver, Meeks, Silva, Blair, Holt, Abhar, Miller, Junker, Pearl, Flory, Haven, Simpson, Jellison, Nichols, Borba, and Rodriguez

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 Ernest Vance to lead the Pledge.

4. INVOCATION

Vice Mayor Ken Cooley gave the invocation.

5. CLOSED SESSION REPORT

City Attorney Adam Lindgren reported that there was no reportable action.

6. PRESENTATIONS

6.1 Executive Director Darcy Brewer reported on California Capital Airshow.

AT THIS POINT Council Member Budge left the Council Chambers at 6:02 p.m.

6.2 Council Member McGarvey presented a proclamation to Scott Meyer for Folsom Cordova Unified School District (FCUSD) Teacher of the Year.

6.3 Presentation of Certificates of Appreciation to Neighborhood Traffic Safety Committee (NTSC) Members Russell Blair, Mickey Boughton, Matt Cummings, Dennis Dunn, and Gerry Lane was delayed to a date not yet determined.

6.4 Council Member Sander presented a proclamation to Event Chair Janet Lemere and Team Captain Coordinator Alex Miller in Recognition of Relay for Life to be held on October 3rd and 4th.

7. PUBLIC COMMENT

NONE

8. COUNCIL REPORTS

Council reported on events since the last meeting.

9. CONSENT CALENDAR ITEMS – ROLL CALL VOTE

ACTION: Motion by Sander second by Cooley and carried by a 4:0 vote (Budge absent)
Council approved the Consent Calendar.

- 9.1 **Subject:** Meeting Minutes:
a) Regular Meeting Minutes of September 8, 2009
b) Special Meeting Minutes of September 15, 2009
Recommendation: Adopt Minutes.

- 9.2 **Subject:** Resolution Declaring the Results of Mail Ballot Election for Rancho Cordova Transit-Related Services Special Tax Area Zone 15 (Cordova Restaurant and Casino)
Recommendation: Adopt Resolution No. 78-2009.
Result of Recommended Action: Adoption of this resolution will declare the results of the transit-related services tax election concerning Transit-Related Services Special Tax Area Zone 15, which will assist the City in meeting the costs of providing City transit-related services by establishing a special tax for transit services for the Cordova Restaurant and Casino.
Staff Report: Cyrus Abhar, Public Works Department
- 9.3 **Subject:** Resolution Authorizing the Expenditure Plan for the Utilization of Funds Available from the State Supplemental Law Enforcement Fund (SLESF) which Funds the State's "Citizen's Option for Public Safety" (COPS) Program
Recommendation: Adopt Resolution No. 87-2009.
Result of Recommended Action: Adoption of this resolution will provide preservation of unused prior year grant funds (\$99,421) and allow for the appropriate spending of both the prior year carryover funds and the current year allocation (\$100,000) in accordance with the Government Code 30061.
Staff Report: Donna Silva, Finance Department
GROWING STRONG NEIGHBORHOODS

10. CONSENT PUBLIC HEARING ITEMS

NONE

11. PUBLIC HEARING ITEMS

AT THIS POINT Council Member Budge returned to the Council Chambers at 6:26 p.m.

- 11.1 **Subject:** Resolution Approving the FY 2008-2009 Consolidated Annual Performance and Evaluation Report (CAPER) for Community Development Block Grant (CDBG) Program
Recommendation: Adopt Resolution No. 89-2009.
Result of Recommended Action: Adoption of this resolution will approve the FY 2008-2009 Consolidated Annual Performance and Evaluation Report (CAPER) and allow staff to submit application to the US Department of Housing and Urban Development (HUD) in accordance with HUD requirements and timelines.
Staff Report: Reed Flory, Economic Development Department, Housing Division
GROWING STRONG NEIGHBORHOODS

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

ACTION: Motion by Cooley second by McGarvey and carried by a 5:0 vote; Council adopted Resolution No. 89-2009.

12. REGULAR CALENDAR ITEMS

- 12.1 **Subject:** Appeal of Planning Director's Determination Regarding Proposed Thrift Store Use: Goodwill Industries of Sacramento Valley and Northern Nevada, Inc., Located at 10995 Olson Drive, Zinfandel Square

Recommendation: Adopt Resolution No. 91-2009.

Result of Recommended Action: Upholding the Planning Director determination would continue to prohibit thrift store uses on properties designated Commercial Mixed Use in Folsom Boulevard Specific Plan, including the subject property located at 10995 Olson Drive

Staff Report: Paul Junker, Planning Department

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

ACTION: Motion by Budge second by Cooley and carried by a 5:0 vote, Council adopted Resolution No. 89-2009.

- 12.2 **Subject:** Urgency Ordinance Establishing a Temporary Moratorium on the Establishment, Expansion or Relocation of Resale Shops Pending the Review and Possible Amendment of Zoning Regulations Applicable to Such Businesses

Recommendation: Waive reading and adopt Urgency Ordinance No. 20-2009.

Result of Recommended Action: Adoption of this Ordinance will establish a 45-day temporary moratorium on the establishment, expansion or relocation of resale shops. This moratorium is necessary in order to analyze how to address new imminent threats to public safety, health, and welfare resulting from the location of resale shops.

Staff Report: Adam U. Lindgren, City Attorney's Office; Curt Haven, Economic Development Director; and Jeff Beiswenger, Planning Department

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

- Rich Watts in opposition to the item.
- Stephen Patterson in opposition to the item.
- Joseph Mendez in opposition to the item.

Mayor Skoglund closed the public comment period.

ACTION: Motion by Budge second by Cooley and carried by a 5:0 vote; Council:

- 1) Adopted Resolution No. 89-2009; and
- 2) Directed the Planning Department to review current zoning provisions and consider whether they are adequate to meet the needs of the City.

13. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

Council Member Budge requested staff bring a discussion to a future Work Session by this fall to discuss the new City logo/brand shown in the latest City Views Newsletter.

14. CITY MANAGER'S REPORT

City Manager Ted Gaebler reported on the following:

- International County/City Managers Conference
- 50th High School Reunion in Oxford, Ohio
- Chamber in Chambers
- RC Leadership Program and Reception for new students
- Thanked community for complying with traffic and safety regulations during the Air Show

City Manager Ted Gaebler called Neighborhood Services, Code Enforcement, and Animal Services Departments to provide updates. Staff members reported on following:

Neighborhood Services Manager Kerry Simpson reported on collaborative enforcement, workflow and education, and bank penalties.

Code Enforcement Officer Chris Jellison reported on general nuisance violations.

Code Enforcement Officer Phillip Nichols reported on the Rental Housing Inspection Program.

Neighborhood Services Manager Kerry Simpson reported on Blight Busters.

Code Enforcement Officer Cindy Borba reported on the implementation of a proactive business enhancement taskforce as part of "Project Crackdown" in the Croetto/Woodberry area.

Neighborhood Services Manager Kerry Simpson reported on the successes of neighborhood cleanup.

Neighborhood Services Manager Kerry Simpson, Code Enforcement Officer Chris Jellison, and Code Enforcement Officer Phillip Nichols reported on "What's Next."

Code Enforcement Officer Michael Rodriguez reported on Animal Services in the community, education, reduction in stray animal impound and successes.

15. ADJOURNMENT

Mayor Skoglund adjourned the regular meeting at 8:12 p.m.

Mindy Cuppy, City Clerk



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

**Rancho Cordova City Hall
2729 Prospect Park Drive, Rancho Cordova
Community Board Room**

Tuesday, September 29, 2009 at 5:30 p.m.

MINUTES

WORK SESSION

Mayor Skoglund called the special meeting to order at 5:42 p.m.

Council Members Present: Budge, McGarvey, and Mayor Skoglund

Council Members Absent: Cooley and Sander

Staff Present: Gaebler, Lindgren, Chinn, Cuppy, Haven, Pearl, Miller, and Snyder.

Work Session Topic

1. Discussion of City of Rancho Cordova Logo Concept Evolution

ACTION: Motion by Budge, second by McGarvey, and carried by 3:0 vote (Cooley and Sander absent) to retain the current images for fiscal year 2009/10 and to not use the proposed logo concept.

Oral Communications

Mayor Skoglund opened the public comment period.

There were no speakers.

Mayor Skoglund closed the public comment period.

ADJOURNMENT

Mayor Skoglund adjourned the special meeting at 6:26 p.m.

Mindy Cuppy, City Clerk

CITY OF RANCHO CORDOVA

ORDINANCE NO: 15-2009

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
LOWERING THE NON-RESIDENTIAL POLICE TAX RATES FOR POLICE TAX AREA
ZONES 2A, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37 AND 38 AND AMENDING THE
ORDINANCES ESTABLISHING THE SPECIAL POLICE TAX FOR THOSE ZONES**

WHEREAS, City-negotiated development agreements have included a police tax provision requiring property owners to vote in favor of a special tax for police services to pay for the shortfall of revenue for needed police services; and

WHEREAS, since 2006, the development agreements and conditions of approval for several projects set the non-residential police tax rate at twenty-five cents (\$.25) per square foot of gross parcel area with the expectation that the amount would be adjusted downward once the General Plan Fiscal Analysis was completed; and

WHEREAS, the fiscal analysis related to police tax rates was not done before the establishment of the police tax zones which are amended by this Ordinance, resulting in the twenty-five cents (\$.25) rate to be set as the non-residential amount per gross square foot of gross parcel area; and

WHEREAS, Staff has completed an analysis of the police tax rates and has determined that twenty-five cents (\$.25) is too high. Staff has concluded that a rate of one thousand dollars (\$1,000) per acre is adequate for non-residential areas to pay for their share of the shortfall of revenue to pay for needed police services; and

WHEREAS, changing the non-residential police tax rate to one thousand dollars (\$1,000) per acre will not impose, extend, or increase the police special tax. The change will lower the formerly established rate of twenty-five cents (\$.25) for each square foot of gross parcel area to approximately two and three tenths cents (\$.023) for each square foot of gross parcel area.

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

SECTION 1. Ordinances Amended.

The following Ordinances shall be amended as specified in Sections 2 and 3 of this Ordinance:

- Ordinance No. 37-2006 pertaining to **Police Tax Zone 2A** - Sundance Subdivision
- Ordinance No. 30-2006 pertaining to **Police Tax Zone 27** – Arista Del Sol Subdivision
- Ordinance No. 32-2006 pertaining to **Police Tax Zone 28** – Douglas 98 Subdivision

- Ordinance No. 33-2006 pertaining to **Police Tax Zone 29** – Douglas 103 Subdivision
- Ordinance No. 24-2006 pertaining to **Police Tax Zone 30** – Montelena Subdivision
- Ordinance No. 29-2006 pertaining to **Police Tax Zone 31** – Anatolia IV Subdivision
- Ordinance No. 31-2006 pertaining to **Police Tax Zone 32** – Cresleigh Sunridge Subdivision
- Ordinance No. 27-2006 pertaining to **Police Tax Zone 33** – Sunridge Park – Phase II Subdivision, Villages 2B, 5C and 5D
- Ordinance No. 26-2006 pertaining to **Police Tax Zone 34** – Sunridge Park – Phase II Subdivision, Villages 1B, 4C, 4D, 8C and 11B
- Ordinance No. 28-2006 pertaining to **Police Tax Zone 35** – Sunridge Park – Phase II Subdivision, Villages 9B and 10B
- Ordinance No. 25-2006 pertaining to **Police Tax Zone 36** – Sunridge Park – Phase II Subdivision, Lots D, E, F, G and 11
- Ordinance No. 38-2006 pertaining to **Police Tax Zone 37** – Grantline 208 Subdivision
- Ordinance No. 03-2007 pertaining to **Police Tax Zone 38** – Gold Flake Court Subdivision (PM07-7031)

SECTION 2. Amendment to Text of Ordinances.

Section 3(A), "For First Fiscal Year," of the above referenced ordinances shall be amended to read as follows:

"The tax shall be assessed on a parcel within this Zone in the first fiscal year after a building permit has been issued for the parcel. The tax per year for the first fiscal year shall be the amount of Tax per Parcel for the Land Use Code Category as set forth on Exhibit C hereto. The use code assigned to each parcel shall be reviewed and updated periodically."

SECTION 3. Amendments to Exhibit C of Ordinances.

Section B of Exhibit C of the above referenced ordinances shall be amended to read as follows:

"B. Non-Residential

The amount of Tax per Parcel for all Non-Residential Land Use Categories (except Recreational and Agricultural) shall be One Thousand Dollars (\$1,000) per acre."

SECTION 4. Reimbursement.

Non-residential Police Taxes levied for the 2008/2009 year in excess of the One Thousand Dollars (\$1,000) per acre shall be reimbursed.

SECTION 5. Severability.

If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. This City Council declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the ordinance be enforced.

SECTION 6. Effective Date and Publication.

Within fifteen (15) days from and after adoption, this ordinance shall be published once in the Grapevine Independent, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with California Government Code Section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its adoption.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova this ____ day of ____, 2009, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

MEMORANDUM



DATE: October 5, 2009

TO: Honorable Mayor and Council Members

FROM: Cyrus Abhar, Public Works Director

SUBJECT: A RESOLUTION CREATING SPECIAL TAX AREA ZONE 8 AND AN ORDINANCE ESTABLISHING A SPECIAL TAX FOR TRANSIT-RELATED SERVICES FOR THE FITE CORPORATE CENTER BUILDINGS

RECOMMENDATION

That Council:

- a) Adopt Resolution No. 88-2009; and
- b) Waive the first reading and introduce Ordinance No. 18-2009 establishing a Special Tax for Transit-Related Services for the Fite Corporate Center Buildings

RESULT OF RECOMMENDED ACTION

Adoption of this resolution and ordinance will assist the City to meet the cost of providing transit-related services by creating a special tax area zone and establishing a special tax for transit-related services for the Fite Corporate Center Buildings.

BACKGROUND

The City has determined that the cost of providing City transit-related services will exceed existing municipal revenues. The City Council adopted Resolution No. 141-2005 at its meeting on November 7, 2005 providing for a special tax for transit-related services to be imposed upon new development within the City. Pursuant to that resolution, a property owner must approve a special tax on the parcels within a subdivision or project as a condition of approval by the City. The Council must then adopt a resolution establishing a zone including the subdivision or project and an ordinance creating the special tax.

For the Fite Corporate Center Buildings project, an application for design review for construction of two new two-story office buildings, each with a total gross floor area of 72,924 square feet, has been submitted for City approval, and the applicant/developers have agreed to the special tax. D. B. Fite Properties, Inc., and the Mary M. Siri Family Trust dated October 2, 1979 are the current property owners of the approximately 9.78 acre site.

The Council, on December 17, 2007, adopted Resolution No. 134-2007 approving the Design Review, subject to the findings within the staff report and Conditions of Approval.

The provision of funding to provide transit-related services by voting to approve a special tax was made a condition of approval for the design review. This item will establish Tax Area Zone No. 8, the boundaries of which will be contiguous to the boundaries of the Fite Corporate Center Buildings project. In addition to creating the special tax, the ordinance will also set the date for the transit-related services tax election, which will be held on November 16, 2009, at which time the ballot(s) will be tabulated by the City, and the results declared at the City Council meeting.

MOTION

"I move that the City Council adopt Resolution No. 88-2009 creating Special Tax Area Zone 8, and waive the first reading and introduce Ordinance No. 18-2009 establishing a special tax for transit-related services subject to voter approval within the Fite Corporate Center Buildings."

ATTACHMENTS

1. Resolution No. 88-2009 Creating Special Tax Area Zone 8 with Exhibit A – Description of Property and Exhibit B – Boundary Map
2. Ordinance No. 18-2009 Establishing a Special Tax for Transit-Related Services Subject to Voter Approval within the Fite Corporate Center Buildings Project with Exhibit A – Description of Property, Exhibit B – Boundary Map and Exhibit C – Property Land Use Category

CITY OF RANCHO CORDOVA

RESOLUTION NO. 88-2009

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
CREATING SPECIAL TAX AREA ZONE 8 WITHIN THE
RANCHO CORDOVA TRANSIT-RELATED SERVICES SPECIAL TAX AREA
FOR THE FITE CORPORATE BUILDINGS B AND C**

WHEREAS, it is the intention of the City Council to create Zone 8 within the City of Rancho Cordova Transit-Related Services Special Tax Area and authorize an election; and

WHEREAS, it is the intention of the City Council to adopt an ordinance establishing a special tax for transit-related services within Zone 8; and

WHEREAS, the City recognizes the need for increased transit-related services in Zone 8 and the difficulty of funding the current or increased level of services with revenues now available; and

WHEREAS, it is the intention of the City Council to direct the City Clerk to conduct an election by mail ballot pursuant to Elections Code Section 4000 and to be held on the earliest date permitted by law; and

WHEREAS, On December 17, 2007, the City Council adopted Resolution No. 134-2007 approving Design Review for the Fite Corporate Center Buildings B and C, Project No. RC-07-306 (the "Project"). The project is for the construction of two new two-story office buildings. The provision of funding to provide transit-related services was made a condition of approval for the project. Condition No. 15 of Resolution No. 134-2007 requires the property owner/applicant to participate in the provision of funding to provide transit-related services by voting to approve a special tax. This will be accomplished by the voters voting to approve a special tax for the new office buildings to be constructed by the approval.

WHEREAS, the transit-related services tax as inflated to Fiscal Year 2009/2010 is \$56.35 per low density residential dwelling unit or low density residential dwelling unit equivalent, \$45.08 per medium density residential dwelling unit or medium density residential dwelling unit equivalent, \$33.81 per high density residential dwelling unit or high density residential dwelling unit equivalent, \$1,444.82 per retail and service commercial acre, \$1,241.96 per commercial mixed use or office acre, and \$518.42 per light industrial acre, subject to an annual inflator formula based on the Consumer Price Index for the San Francisco-Oakland-San Jose Area, or six percent, whichever is less (Multi-family residential units on a single parcel shall be assessed on a proportionately equivalent basis (e.g., a two-unit attached housing structure, such as a duplex, would be deemed to consist of two residential parcels for purposes of the transportation tax); and

WHEREAS, for the purposes of this Resolution, a "voter" entitled to vote on the creation of Zone 8 is a person who owns real property within Zone 8, as shown on the last equalized assessment role prepared by the Sacramento County Assessor's Office, at the time that the City Council submits an ordinance authorizing the imposition of a transit-related services tax to the voters of Zone 8. At the time that the Council adopted this Resolution, there were zero (0) registered voters residing within Zone 8 and two (2) property owners. Because the Transit-

Related Services Special Tax will be imposed on property in Zone 8 and paid by the owners of the property, the Council finds that restricting the vote on the Transit-Related Services Special Tax to property owners in Zone 8 is appropriate and consistent with the principles and requirements of California Constitution article XIII C (Proposition 218).

NOW, THEREFORE, be it resolved as follows:

Section 1. That portion of the City of Rancho Cordova as described in **Exhibit A** and shown on the Map, **Exhibit B** hereto, is established as Zone 8 of the Rancho Cordova Transit-Related Services Special Tax Area.

Section 2. That Ordinance No. 18-2009, reviewed and approved by the City Council on the same date as this resolution, is to be presented for approval of the voters of Zone 8 by a mail ballot election, to be held on November 16, 2009. The ballot proposition shall read as follows:

“Shall Ordinance No. 18-2009 of the City Council of the City of Rancho Cordova be approved so as to authorize a special tax on property located in Zone 8 of the Rancho Cordova Transit-Related Services Special Tax Area to maintain the present level of transit-related services and provide additional funding for increased transit-related services?”

Section 3. The City Clerk is directed to take all steps necessary to conduct the election required by this order. Said election shall be conducted by mailed ballot pursuant to Elections Code Section 4000 and shall be held on a date other than the same date as a statewide direct primary election on statewide general election, or on a date mutually agreed upon by City and the voters, as specified above.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

LEGAL DESCRIPTION

Real property in the City of Rancho Cordova, County of Sacramento, State of California described as follows:

ALL THAT REAL PROPERTY SITUATED IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, BEING PARCELS 1, 2 AND 3 AS SAID PARCELS ARE SHOWN AND SO DESIGNATED ON THAT CERTAIN "PARCEL MAP MATHER BUSINESS PARK", FILED IN THE OFFICE OF THE RECORDER OF SAID COUNTY AND STATE IN BOOK 70 OF PARCEL MAPS AT PAGE 28 MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1:

ALL THAT PORTION OF PARCELS 1 AND 2 AS SHOWN ON SAID 70PM28 LYING WESTERLY AND SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 1, BEING LOCATED ON THE NORTHERLY RIGHT OF WAY OF OLD PLACERVILLE ROAD AS SHOWN ON SAID 70PM28; THENCE ALONG THE EASTERLY BOUNDARY OF SAID PARCEL 1 AND THE NORTHERLY PROLONGATION THEREOF, NORTH 42° 28' 14" WEST, 283.00 FEET TO A POINT HEREIN REFERRED TO AS POINT "A" THENCE PARALLEL TO THE SAID NORTHERLY RIGHT OF WAY OF OLD PLACERVILLE ROAD SOUTH 47° 31' 46" WEST, 172.00 FEET; THENCE PARALLEL TO THE NORTHERLY BOUNDARY OF SAID PARCEL 1, SOUTH 89° 48' 00" WEST, 321.54 MORE OR LESS TO THE EASTERLY RIGHT OF WAY OF ROUTIER ROAD AS SHOWN ON SAID 70PM28.

APN: 077-0360-035-0000

and

Real property in the City of Rancho Cordova, County of Sacramento, State of California described as follows:

PARCEL 1:

ALL THAT PORTION OF PARCELS 2 AND 3 AS SHOWN ON SAID 70PM28 LYING EASTERLY AND SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 1, BEING LOCATED ON THE NORTHERLY RIGHT OF WAY OF OLD PLACERVILLE ROAD AS SHOWN ON SAID 70PM28; THENCE ALONG THE EASTERLY BOUNDARY OF SAID PARCEL 1 AND THE NORTHERLY PROLONGATION THEREOF, NORTH 42° 28' 14" WEST, 283.00 FEET TO A POINT HEREIN REFERRED TO AS POINT "A"; THENCE PARALLEL TO THE NORTHERLY BOUNDARY OF OLD PLACERVILLE ROAD AS SHOWN ON SAID 70PM28, NORTH 47° 31' 46" EAST, 172.00 FEET; THENCE NORTH 02° 01' 18" WEST, 233.38 FEET MORE OR LESS TO THE POINT OF SYSTEMS PARKWAY AS SHOWN ON SAID 70PM28.

APN: 077-0360-033

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EXHIBIT B

CITY OF RANCHO CORDOVA

ORDINANCE NO. 18-2009

**AN ORDINANCE OF THE CITY OF RANCHO CORDOVA
ESTABLISHING A SPECIAL TAX FOR TRANSIT-RELATED SERVICES FOR THE FITE
CORPORATE CENTER BUILDINGS SUBJECT TO VOTER CONFIRMATION**

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

Section 1. Purpose, Intent and Authority.

It is of critical importance to the City Council of the City of Rancho Cordova that residents of and employees working in the City receive high quality transit-related services. In carefully reviewing the City's budget and revenue projections, it has become clear to City staff that the City budget does not contain adequate funding to ensure the continued delivery of adequate high quality transit-related services unless additional revenues are obtained.

It is the purpose and intent of this Ordinance to generate additional funds to pay for transit-related services by authorizing the levy of a tax on improved parcels of real property on the secured property tax roll of Sacramento County that are within Zone 8 of the Rancho Cordova Transit-Related Services Special Tax Area (the "Zone").

This tax is a special tax within the meaning of Section 4 of the Article XIII A of the California Constitution. Because the burden of this tax falls upon property, this tax also is a property tax, but this tax is not determined according to nor in any manner based upon the value of property; this tax is levied on a parcel and use of property basis. Insofar as not inconsistent with this Ordinance or with legislation authorizing special taxes and insofar as applicable to a property tax that is not based on value, such provisions of the California Revenue and Taxation Code and of Article XIII of the California Constitution as relate to ad valorem property taxes are intended to apply to the collection and administration of this tax (Section 4 of this Ordinance), as authorized by law. This tax is not an ad valorem property tax; it is an excise tax on the use of property. Because the revenue from the tax may be used only to fund transit-related services, it is also a special tax.

The revenues raised by this tax are to be used solely for the purpose of providing transit-related services as are deemed necessary by the City Council for the benefit of the residents and/or employees of Zone 8.

At the time that the Council adopted this Ordinance, there were zero (0) registered voters residing in Zone 8 and two (2) property owners. Because the Transit-Related Services Special Tax will be imposed on property in Zone 8 and paid by the owners of the property, the Council finds that restricting the vote on the Transit-related Services Special Tax to property owners in Zone 8 is appropriate and consistent with the principles and requirements of California Constitution article XIII C (Proposition 218).

Section 2. Definitions.

The following definitions shall apply throughout this Ordinance.

A. "Constant first year dollars" shall mean an actual dollar amount which, in years subsequent to the first fiscal year the tax is levied, shall have the same purchasing price as the base amount in first fiscal year dollars as measured by the Consumer Price Index. The base amount shall be the amount of tax per parcel as specified in Section 3(A) herein. The adjustments from actual to constant dollars shall be made by use of the Consumer Price Index, as specified in Section 3(B) herein.

B. "Consumer Price Index" means the Consumer Price Index for all Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose Area as published by the U.S. Department of Labor, Bureau of Labor Statistics. If the Consumer Price Index is discontinued or revised, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Consumer Price Index had not been discontinued or revised.

C. "Fiscal year" means the period of July 1 through the following June 30.

D. "Parcel" means the land and any improvements thereon, designated by an assessor's parcel map and parcel number and carried on the secured property tax roll of Sacramento County. For the purposes of this Ordinance, parcel does not include any land or improvements outside the boundaries of Zone 8 nor any land or improvements owned by any governmental entity.

E. "Rancho Cordova Transit-Related Services Special Tax Area" means all the properties within the jurisdictional limits of the City of Rancho Cordova.

F. "Rancho Cordova Transit-Related Services Special Tax Area Zone 8" (the "Zone") means that portion of the incorporated area of the City of Rancho Cordova located within the boundaries described in **Exhibit A** hereto and as shown on the map **Exhibit B** hereto.

G. "Transit-Related Services" means providing, operating, maintaining and subsidizing transit services and all supporting facilities, infrastructure, programs and incentives that benefit the residents of the Rancho Cordova Transit-Related Services Special Tax Area, and shall be calculated and set according to the methodology described in Engineer's Report County Service Area No. 10 and Benefit Zone No. 2 County of Sacramento, September 7, 2004, which established the methodology for the original service charge for Benefit Zone No. 2.

H. "Voter" means a person who owns real property within Zone 8, as shown on the last equalized assessment role prepared by the Sacramento County Assessor's Office, at the time that the City Council adopts an ordinance authorizing the imposition of a transit-related services tax to the voters of Zone 8.

Section 3. Amount and Level of Taxes.

The tax per year on each parcel in the Zone shall not exceed the amount applicable to the parcel, as specified below.

A. For First Fiscal Year:

The tax per year for the first fiscal year (July 1, 2010 through June 30, 2011) shall be the amount of Tax per Parcel for a Land Use Code Category as set forth on **Exhibit C**

hereto. The use code assigned to each parcel shall be reviewed and updated periodically. Rates in Exhibit C shall be calculated and set according to the methodology described in Engineer's Report County Service Area No. 10 and Benefit Zone No. 2 County of Sacramento, September 7, 2004, which established the methodology for the original service charge for Benefit Zone No. 2.

B. For Subsequent Fiscal Year:

In order to keep the tax on each parcel in constant first year dollars for each fiscal year subsequent to the first fiscal year, the tax per year shall be adjusted as set forth below to reflect any increase in the Consumer Price Index beyond the first fiscal year the tax is levied.

In June or July of each year, City Council shall determine the amount of taxes to be levied upon the parcels in Zone 8 for the then current fiscal year, as set forth below.

For each Land Use Category on Exhibit C, the tax per year on each parcel for each fiscal year subsequent to the first fiscal year shall be an amount determined as follows:

Tax Per Parcel For then Current Fiscal Year	=	Tax Per Parcel For Immediately Preceding Fiscal Year	X	Consumer Price Index from April of immediately Preceding Fiscal Year to April of then Current Fiscal Year OR 6 percent, whichever is less
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Provided, however, that in no event shall the tax per parcel for any fiscal year be less than the amount established for the first fiscal year.

C. Nature of Tax Levy.

The taxes levied on each parcel pursuant to this Article shall be a charge upon the parcel and shall be due and collectible as set forth in Section 4, below.

Section 4. Collection and Administration.

A. Taxes as Liens Against the Property.

The amount of taxes for each parcel each year shall constitute a lien on such property, in accordance with Revenue and Taxation Code Section 2187, and shall have the same effect as an ad valorem real property tax lien until fully paid.

B. Collection.

The taxes on each parcel shall be billed on the secured roll tax bills for ad valorem property taxes and are to be collected in the same manner in which Sacramento County collects secured roll ad valorem property taxes. Insofar as feasible and insofar as not inconsistent with this Ordinance, the times and procedures regarding exceptions, due dates, installment payments, corrections, cancellations, refunds, late payments, penalties, liens, and collections for secured roll ad valorem property taxes (as established by Sacramento County) shall be applicable to the collection of this tax. Notwithstanding anything to the contrary in the foregoing, as to this tax:

1. The secured roll tax bills shall be the only notices required for this tax, and
2. The homeowners and veterans exemptions shall not be applicable because such exemptions are determined by dollar amount of value.

C. Costs of Administration by County.

The reasonable costs incurred by the County officers collecting and administering this tax shall be deducted from the collected taxes.

D. Use of Tax Revenue.

The revenue collected from the tax imposed by this ordinance shall be placed into a separate account and may be used only to fund transit-related services, including the costs of administering and collecting the tax and enforcing the provisions of this ordinance. Revenue from the tax may be used for transit-related services citywide.

E. Refunds.

1. Whenever the amount of any tax, interest or penalty has been overpaid or paid more than once, or has been erroneously or illegally collected or received by the City pursuant to this ordinance, it may be refunded as provided in this Section.
2. No refund may be made except upon a written claim verified by the person who paid the tax or by his or her guardian or conservator or the executor or administrator of his or her will or estate and stating the grounds upon which the claim is made. All claims filed pursuant to this subsection must be presented within one year after payment of the amount for which the claimant is seeking a refund.
3. No order of a refund may be made until a written claim therefor has been presented in accordance with this subsection. No suit for money, damages or a refund may be brought against the City until a written claim therefor has been presented to the City and has been acted upon or has been deemed rejected by the City, in accordance with this subsection. Only the person who filed the claim may bring such a suit, and if another person should do so, judgment shall not be rendered for the plaintiff.

F. Initiatives to Affect Tax.

Consistent with the California Constitution (art. XIII, § 3) the tax imposed by this ordinance may be affected by initiative. The procedures for qualification of such an initiative and the election on a qualified initiative shall be consistent with the California Constitution (art. 2, sec. 8), the California Elections Code (Chapter 3 of Division 9), and the Municipal Code. The minimum number of signatures necessary to qualify an initiative to affect the tax approved by this ordinance shall be equal to 5 percent of the votes in the City for all candidates for Governor at the last gubernatorial election. The election on a qualified initiative to affect the tax shall be a regular citywide election. An initiative affecting the tax shall be approved only if at least two-thirds of the votes cast on the measure are in favor of its approval.

Section 5. Severability Clause.

If any article, section, subsection, sentence, phrase or clause of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this Ordinance. The voters of Zone 8 hereby declare that they would have adopted the remainder of this Ordinance, including each article, section, subsection, sentenced phrase or clause, irrespective of the invalidity of any other article, section, subsection, sentence, phrase or clause.

Section 6. Effective Date and Posting.

This Ordinance shall take effect immediately upon its approval by two-thirds of the voters voting within the Zone in an election to be held on November 16, 2009 so that taxes shall first be collected hereunder for the tax year beginning July 1, 2010.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

LEGAL DESCRIPTION

Real property in the City of Rancho Cordova, County of Sacramento, State of California described as follows:

ALL THAT REAL PROPERTY SITUATED IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, BEING PARCELS 1, 2 AND 3 AS SAID PARCELS ARE SHOWN AND SO DESIGNATED ON THAT CERTAIN "PARCEL MAP MATHER BUSINESS PARK", FILED IN THE OFFICE OF THE RECORDER OF SAID COUNTY AND STATE IN BOOK 70 OF PARCEL MAPS AT PAGE 28 MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1:

ALL THAT PORTION OF PARCELS 1 AND 2 AS SHOWN ON SAID 70PM28 LYING WESTERLY AND SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 1, BEING LOCATED ON THE NORTHERLY RIGHT OF WAY OF OLD PLACERVILLE ROAD AS SHOWN ON SAID 70PM28; THENCE ALONG THE EASTERLY BOUNDARY OF SAID PARCEL 1 AND THE NORTHERLY PROLONGATION THEREOF, NORTH 42° 28' 14" WEST, 283.00 FEET TO A POINT HEREIN REFERRED TO AS POINT "A" THENCE PARALLEL TO THE SAID NORTHERLY RIGHT OF WAY OF OLD PLACERVILLE ROAD SOUTH 47° 31' 46" WEST, 172.00 FEET; THENCE PARALLEL TO THE NORTHERLY BOUNDARY OF SAID PARCEL 1, SOUTH 89° 48' 00" WEST, 321.54 MORE OR LESS TO THE EASTERLY RIGHT OF WAY OF ROUTIER ROAD AS SHOWN ON SAID 70PM28.

APN: 077-0360-035-0000

and

Real property in the City of Rancho Cordova, County of Sacramento, State of California described as follows:

PARCEL 1:

ALL THAT PORTION OF PARCELS 2 AND 3 AS SHOWN ON SAID 70PM28 LYING EASTERLY AND SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 1, BEING LOCATED ON THE NORTHERLY RIGHT OF WAY OF OLD PLACERVILLE ROAD AS SHOWN ON SAID 70PM28; THENCE ALONG THE EASTERLY BOUNDARY OF SAID PARCEL 1 AND THE NORTHERLY PROLONGATION THEREOF, NORTH 42° 28' 14" WEST, 283.00 FEET TO A POINT HEREIN REFERRED TO AS POINT "A"; THENCE PARALLEL TO THE NORTHERLY BOUNDARY OF OLD PLACERVILLE ROAD AS SHOWN ON SAID 70PM28, NORTH 47° 31' 46" EAST, 172.00 FEET; THENCE NORTH 02° 01' 18" WEST, 233.38 FEET MORE OR LESS TO THE POINT OF SYSTEMS PARKWAY AS SHOWN ON SAID 70PM28.

APN: 077-0360-033

Amount of Tax per Parcel by Land Use Category

A. Residential Dwelling Units

As adjusted for inflation from the original base year, the amount of Tax per Parcel for fiscal year 2009/2010 for Residential Land Use Categories shall be \$56.35 per low density residential dwelling unit or low density residential dwelling unit equivalent, \$45.08 per medium density residential dwelling unit or medium density residential dwelling unit equivalent, or \$33.81 per high density residential dwelling unit or high density residential dwelling unit equivalent. (Multi-family residential units on a single parcel shall be assessed on a proportionately equivalent basis (e.g., a two-unit attached housing structure, such as a duplex, would be deemed to consist of two residential parcels for purposes of the Transit-Related Services Special Tax).

B. Non-Residential

As adjusted for inflation from the original base year, The amount of Tax per Parcel for fiscal year 2009/2010 for Non-Residential Land Use Categories (except Recreational and Agricultural) shall be \$1,444.82 per retail and service commercial acre, \$1,241.96 per commercial mixed use or office commercial acre, and \$518.42 per light industrial acre.

C. Inflator Formula

The tax is subject to an annual inflator formula based on the Consumer Price Index for all Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose Area, or six percent, whichever is less.

MEMORANDUM



DATE: October 5, 2009

TO: Honorable Mayor and Council Members

FROM: Cyrus Abhar, Public Works Director

SUBJECT: **A RESOLUTION CREATING SPECIAL TAX AREA ZONE 16 AND AN ORDINANCE ESTABLISHING A SPECIAL TAX FOR TRANSIT-RELATED SERVICES FOR THE 11301 DISMANTLE COURT PROJECT**

RECOMMENDATION

Adopt Resolution No. 90-2009 and waive the first reading and introduce Ordinance No. 19-2009 establishing a Special Tax for Transit-Related Services for the 11301 Dismantle Court Project.

RESULT OF RECOMMENDED ACTION

Adoption of this resolution and ordinance will assist the City to meet the cost of providing transit-related services by creating a special tax area zone and establishing a special tax for transit-related services for the 11301 Dismantle Court Project.

BACKGROUND

The City has determined that the cost of providing City transit-related services will exceed existing municipal revenues. The City Council adopted Resolution No. 141-2005 at its meeting of November 7, 2005 providing for a special tax for transit-related services to be imposed upon new development within the City. Pursuant to that resolution, a property owner must approve a special tax on the parcels within a subdivision or project as a condition of approval by the City. The Council must then adopt a resolution establishing a zone including the subdivision or project and an ordinance creating the special tax.

For the 11301 Dismantle Court project, an application for design review for construction of a pre-manufactured metal building and addition of landscaping to screen the parking lot, fences, and industrial buildings on the site, with a total gross floor area of 2,700 square feet, has been submitted for City approval and the applicant/developers have agreed to the special tax. M.M Development a California General Partnership is the current property owner of the approximately 3.487 acre site.

The City Council, on November 5, 2007, adopted Resolution No.127-2007 approving the Design Review, subject to the findings within the staff report and Conditions of Approval. The provision of funding to provide transit-related services by voting to approve a special tax was made a condition of approval for the design review. This item will establish Tax Area Zone No. 16, the boundaries of which will be contiguous to the boundaries of the

11301 Dismantle Court project. In addition to creating the special tax, the Ordinance will also set the date for the transit-related services tax election, which will be held on November 16, 2009, at which time the ballot(s) will be tabulated by the City, and the results declared at the City Council meeting.

MOTION

"I move that the City Council adopt Resolution No. 90-2009 creating Special Tax Area Zone 16, and waive the first reading and introduce Ordinance No. 19-2009 establishing a special tax for transit-related services subject to voter approval within the 11301 Dismantle Court Project."

ATTACHMENTS

1. Resolution No. 90-2009 Creating Special Tax Area Zone 16 with **Exhibit A** – Description of Property and **Exhibit B** – Boundary Map
2. Ordinance No. 19-2009 Establishing a Special Tax for Transit-Related Services Subject to Voter Approval within the 11301 Dismantle Court Project with **Exhibit A** – Description of Property, **Exhibit B** – Boundary Map and **Exhibit C** – Property Land Use Category

CITY OF RANCHO CORDOVA

RESOLUTION NO. 90-2009

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
CREATING SPECIAL TAX AREA ZONE 16 WITHIN THE
RANCHO CORDOVA TRANSIT-RELATED SERVICES SPECIAL TAX AREA
FOR THE 11301 DISMANTLE COURT PROJECT**

WHEREAS, it is the intention of the City Council to create Zone 16 within the City of Rancho Cordova Transit-Related Services Special Tax Area and authorize an election; and

WHEREAS, it is the intention of the City Council to adopt an ordinance establishing a special tax for transit-related services within Zone 16; and

WHEREAS, the City recognizes the need for increased transit-related services in Zone 16 and the difficulty of funding the current or increased level of services with revenues now available; and

WHEREAS, it is the intention of the City Council to direct the City Clerk to conduct an election by mail ballot pursuant to Elections Code Section 4000 and to be held on the earliest date permitted by law; and

WHEREAS, On November 5, 2007, the City Council adopted Resolution No. 127-2007 approving Design Review for the 11301 Dismantle Court, Project No. R-07-309 (the "Project"). The project is for the construction of a new pre-manufactured metal building. The provision of funding to provide transit-related services was made a condition of approval for the project. Condition No. 9 of Resolution No. 127-2007 requires the property owner/applicant to participate in the provision of funding to provide transit-related services by voting to approve a special tax. This will be accomplished by the voters voting to approve a special tax for the new building to be constructed by the approval.

WHEREAS, the transit-related services tax as inflated to Fiscal Year 2009/2010 is \$56.35 per low density residential dwelling unit or low density residential dwelling unit equivalent, \$45.08 per medium density residential dwelling unit or medium density residential dwelling unit equivalent, \$33.81 per high density residential dwelling unit or high density residential dwelling unit equivalent, \$1,444.82 per retail and service commercial acre, \$1,241.96 per commercial mixed use or office acre, and \$518.42 per light industrial acre, subject to an annual inflator formula based on the Consumer Price Index for the San Francisco-Oakland-San Jose Area, or six percent, whichever is less (Multi-family residential units on a single parcel shall be assessed on a proportionately equivalent basis (e.g., a two-unit attached housing structure, such as a duplex, would be deemed to consist of two residential parcels for purposes of the transportation tax); and

WHEREAS, for the purposes of this Resolution, a "voter" entitled to vote on the creation of Zone 16 is a person who owns real property within Zone 16, as shown on the last equalized assessment role prepared by the Sacramento County Assessor's Office, at the time that the City Council submits an ordinance authorizing the imposition of a transit-related services tax to the voters of Zone 16. At the time that the Council adopted this Resolution, there were zero (0) registered voters residing within Zone 16 and one property owner. Because the Transit-Related

Services Special Tax will be imposed on property in Zone 16 and paid by the owners of the property, the Council finds that restricting the vote on the Transit-Related Services Special Tax to property owners in Zone 16 is appropriate and consistent with the principles and requirements of California Constitution article XIII C (Proposition 218).

NOW, THEREFORE, be it resolved as follows:

Section 1. That portion of the City of Rancho Cordova as described in **Exhibit A** and shown on the Map, **Exhibit B** hereto, is established as Zone 16 of the Rancho Cordova Transit-Related Services Special Tax Area.

Section 2. That Ordinance No. 19-2009, reviewed and approved by the City Council on the same date as this resolution, is to be presented for approval of the voters of Zone 16 by a mail ballot election, to be held on November 16, 2009. The ballot proposition shall read as follows:

“Shall Ordinance No. 19-2009 of the City Council of the City of Rancho Cordova be approved so as to authorize a special tax on property located in Zone 16 of the Rancho Cordova Transit-Related Services Special Tax Area to maintain the present level of transit-related services and provide additional funding for increased transit-related services?”

Section 3. The City Clerk is directed to take all steps necessary to conduct the election required by this order. Said election shall be conducted by mailed ballot pursuant to Elections Code Section 4000 and shall be held on a date other than the same date as a statewide direct primary election on statewide general election, or on a date mutually agreed upon by City and the voters, as specified above.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

ORDER NO. : 2124000553-LL

EXHIBIT A

The land referred to is situated in the County of Sacramento, City of Rancho Cordova, State of California, and is described as follows:

PARCEL ONE:

Parcel 2, as shown on the "Parcel Map", recorded in Book 80 at Page 23, records of said County.

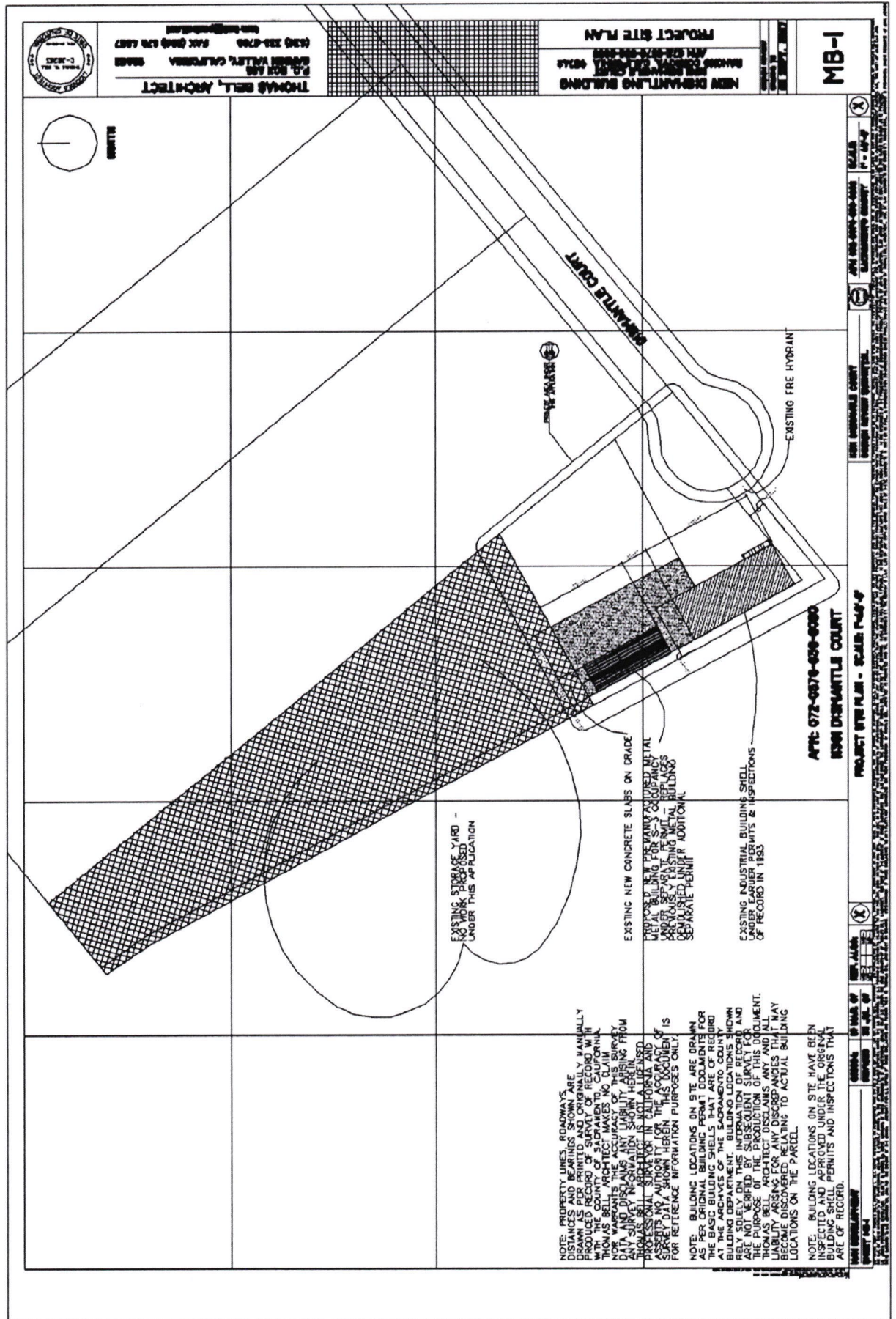
PARCEL TWO:

An easement for ingress and egress and public utility purposes thereto over and across that portion of Parcels 1, 3, 4 and 5 lying within that certain "Irrevocable Offer of Dedication", as shown and delineated on the above referenced Parcel Map.

APN: 072-0570-030

Transit-Related Services Special Tax Area Zone 16

EXHIBIT B



CITY OF RANCHO CORDOVA

ORDINANCE NO. 19-2009

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
ESTABLISHING A SPECIAL TAX FOR TRANSIT-RELATED SERVICES FOR THE 11301
DISMANTLE COURT PROJECT SUBJECT TO VOTER CONFIRMATION**

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

Section 1. Purpose, Intent and Authority.

It is of critical importance to the City Council of the City of Rancho Cordova that residents of and employees working in the City receive high quality transit-related services. In carefully reviewing the City's budget and revenue projections, it has become clear to City staff that the City budget does not contain adequate funding to ensure the continued delivery of adequate high quality transit-related services unless additional revenues are obtained.

It is the purpose and intent of this Ordinance to generate additional funds to pay for transit-related services by authorizing the levy of a tax on improved parcels of real property on the secured property tax roll of Sacramento County that are within Zone 16 of the Rancho Cordova Transit-Related Services Special Tax Area (the "Zone").

This tax is a special tax within the meaning of Section 4 of the Article XIII A of the California Constitution. Because the burden of this tax falls upon property, this tax also is a property tax, but this tax is not determined according to nor in any manner based upon the value of property; this tax is levied on a parcel and use of property basis. Insofar as not inconsistent with this Ordinance or with legislation authorizing special taxes and insofar as applicable to a property tax that is not based on value, such provisions of the California Revenue and Taxation Code and of Article XIII of the California Constitution as relate to ad valorem property taxes are intended to apply to the collection and administration of this tax (Section 4 of this Ordinance), as authorized by law. This tax is not an ad valorem property tax; it is an excise tax on the use of property. Because the revenue from the tax may be used only to fund transit-related services, it is also a special tax.

The revenues raised by this tax are to be used solely for the purpose of providing transit-related services as are deemed necessary by the City Council for the benefit of the residents and/or employees of Zone 16.

At the time that the Council adopted this Ordinance, there were zero (0) registered voters residing in Zone 16 and one property owner. Because the Transit-Related Services Special Tax will be imposed on property in Zone 16 and paid by the owners of the property, the Council finds that restricting the vote on the Transit-related Services Special Tax to property owners in Zone 16 is appropriate and consistent with the principles and requirements of California Constitution article XIII C (Proposition 218).

Section 2. Definitions.

The following definitions shall apply throughout this Ordinance.

A. "Constant first year dollars" shall mean an actual dollar amount which, in years subsequent to the first fiscal year the tax is levied, shall have the same purchasing price as the base amount in first fiscal year dollars as measured by the Consumer Price Index. The base amount shall be the amount of tax per parcel as specified in Section 3(A) herein. The adjustments from actual to constant dollars shall be made by use of the Consumer Price Index, as specified in Section 3(B) herein.

B. "Consumer Price Index" means the Consumer Price Index for all Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose Area as published by the U.S. Department of Labor, Bureau of Labor Statistics. If the Consumer Price Index is discontinued or revised, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Consumer Price Index had not been discontinued or revised.

C. "Fiscal year" means the period of July 1 through the following June 30.

D. "Parcel" means the land and any improvements thereon, designated by an assessor's parcel map and parcel number and carried on the secured property tax roll of Sacramento County. For the purposes of this Ordinance, parcel does not include any land or improvements outside the boundaries of Zone 16 nor any land or improvements owned by any governmental entity.

E. "Rancho Cordova Transit-Related Services Special Tax Area" means all the properties within the jurisdictional limits of the City of Rancho Cordova.

F. "Rancho Cordova Transit-Related Services Special Tax Area Zone 16" (the "Zone") means that portion of the incorporated area of the City of Rancho Cordova located within the boundaries described in **Exhibit A** hereto and as shown on the map **Exhibit B** hereto.

G. "Transit-Related Services" means providing, operating, maintaining and subsidizing transit services and all supporting facilities, infrastructure, programs and incentives that benefit the residents of the Rancho Cordova Transit-Related Services Special Tax Area, and shall be calculated and set according to the methodology described in Engineer's Report County Service Area No. 10 and Benefit Zone No. 2 County of Sacramento, September 7, 2004, which established the methodology for the original service charge for Benefit Zone No. 2.

H. "Voter" means a person who owns real property within Zone 16, as shown on the last equalized assessment role prepared by the Sacramento County Assessor's Office, at the time that the City Council adopts an ordinance authorizing the imposition of a transit-related services tax to the voters of Zone 16.

Section 3. Amount and Level of Taxes.

The tax per year on each parcel in the Zone shall not exceed the amount applicable to the parcel, as specified below.

A. For First Fiscal Year:

The tax per year for the first fiscal year (July 1, 2010 through June 30, 2011) shall be the amount of Tax per Parcel for a Land Use Code Category as set forth on **Exhibit C**

hereto. The use code assigned to each parcel shall be reviewed and updated periodically. Rates in **Exhibit C** shall be calculated and set according to the methodology described in Engineer's Report County Service Area No. 10 and Benefit Zone No. 2 County of Sacramento, September 7, 2004, which established the methodology for the original service charge for Benefit Zone No. 2.

B. For Subsequent Fiscal Year:

In order to keep the tax on each parcel in constant first year dollars for each fiscal year subsequent to the first fiscal year, the tax per year shall be adjusted as set forth below to reflect any increase in the Consumer Price Index beyond the first fiscal year the tax is levied.

In June or July of each year, City Council shall determine the amount of taxes to be levied upon the parcels in Zone 16 for the then current fiscal year, as set forth below.

For each Land Use Category on **Exhibit C**, the tax per year on each parcel for each fiscal year subsequent to the first fiscal year shall be an amount determined as follows:

Tax Per Parcel For then Current Fiscal Year	=	Tax Per Parcel For Immediately Preceding Fiscal Year	X	Consumer Price Index from April of immediately Preceding Fiscal Year to April of then Current Fiscal Year OR 6 percent, whichever is less
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Provided, however, that in no event shall the tax per parcel for any fiscal year be less than the amount established for the first fiscal year.

C. Nature of Tax Levy.

The taxes levied on each parcel pursuant to this Article shall be a charge upon the parcel and shall be due and collectible as set forth in Section 4, below.

Section 4. Collection and Administration.

A. Taxes as Liens Against the Property.

The amount of taxes for each parcel each year shall constitute a lien on such property, in accordance with Revenue and Taxation Code Section 2187, and shall have the same effect as an ad valorem real property tax lien until fully paid.

B. Collection.

The taxes on each parcel shall be billed on the secured roll tax bills for ad valorem property taxes and are to be collected in the same manner in which Sacramento County collects secured roll ad valorem property taxes. Insofar as feasible and insofar as not inconsistent with this Ordinance, the times and procedures regarding exceptions, due dates, installment payments, corrections, cancellations, refunds, late payments, penalties, liens, and collections for secured roll ad valorem property taxes (as established by Sacramento County) shall be applicable to the collection of this tax. Notwithstanding anything to the contrary in the foregoing, as to this tax:

1. The secured roll tax bills shall be the only notices required for this tax, and
2. The homeowners and veterans exemptions shall not be applicable because such exemptions are determined by dollar amount of value.

C. Costs of Administration by County.

The reasonable costs incurred by the County officers collecting and administering this tax shall be deducted from the collected taxes.

D. Use of Tax Revenue.

The revenue collected from the tax imposed by this ordinance shall be placed into a separate account and may be used only to fund transit-related services, including the costs of administering and collecting the tax and enforcing the provisions of this ordinance. Revenue from the tax may be used for transit-related services citywide.

E. Refunds.

1. Whenever the amount of any tax, interest or penalty has been overpaid or paid more than once, or has been erroneously or illegally collected or received by the City pursuant to this ordinance, it may be refunded as provided in this Section.
2. No refund may be made except upon a written claim verified by the person who paid the tax or by his or her guardian or conservator or the executor or administrator of his or her will or estate and stating the grounds upon which the claim is made. All claims filed pursuant to this subsection must be presented within one year after payment of the amount for which the claimant is seeking a refund.
3. No order of a refund may be made until a written claim therefor has been presented in accordance with this subsection. No suit for money, damages or a refund may be brought against the City until a written claim therefor has been presented to the City and has been acted upon or has been deemed rejected by the City, in accordance with this subsection. Only the person who filed the claim may bring such a suit, and if another person should do so, judgment shall not be rendered for the plaintiff.

F. Initiatives to Affect Tax.

Consistent with the California Constitution (art. XIII C, § 3) the tax imposed by this ordinance may be affected by initiative. The procedures for qualification of such an initiative and the election on a qualified initiative shall be consistent with the California Constitution (art. 2, sec. 8), the California Elections Code (Chapter 3 of Division 9), and the Municipal Code. The minimum number of signatures necessary to qualify an initiative to affect the tax approved by this ordinance shall be equal to 5 percent of the votes in the City for all candidates for Governor at the last gubernatorial election. The election on a qualified initiative to affect the tax shall be a regular citywide election. An initiative affecting the tax shall be approved only if at least two-thirds of the votes cast on the measure are in favor of its approval.

Section 5. Severability Clause.

If any article, section, subsection, sentence, phrase or clause of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this Ordinance. The voters of Zone 16 hereby declare that they would have adopted the remainder of this Ordinance, including each article, section, subsection, sentence, phrase or clause, irrespective of the invalidity of any other article, section, subsection, sentence, phrase or clause.

Section 6. Effective Date and Posting.

This Ordinance shall take effect immediately upon its approval by two-thirds of the voters voting within the Zone in an election to be held on November 16, 2009 so that taxes shall first be collected hereunder for the tax year beginning July 1, 2010.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

ORDER NO. : 2124000553-LL

EXHIBIT A

The land referred to is situated in the County of Sacramento, City of Rancho Cordova, State of California, and is described as follows:

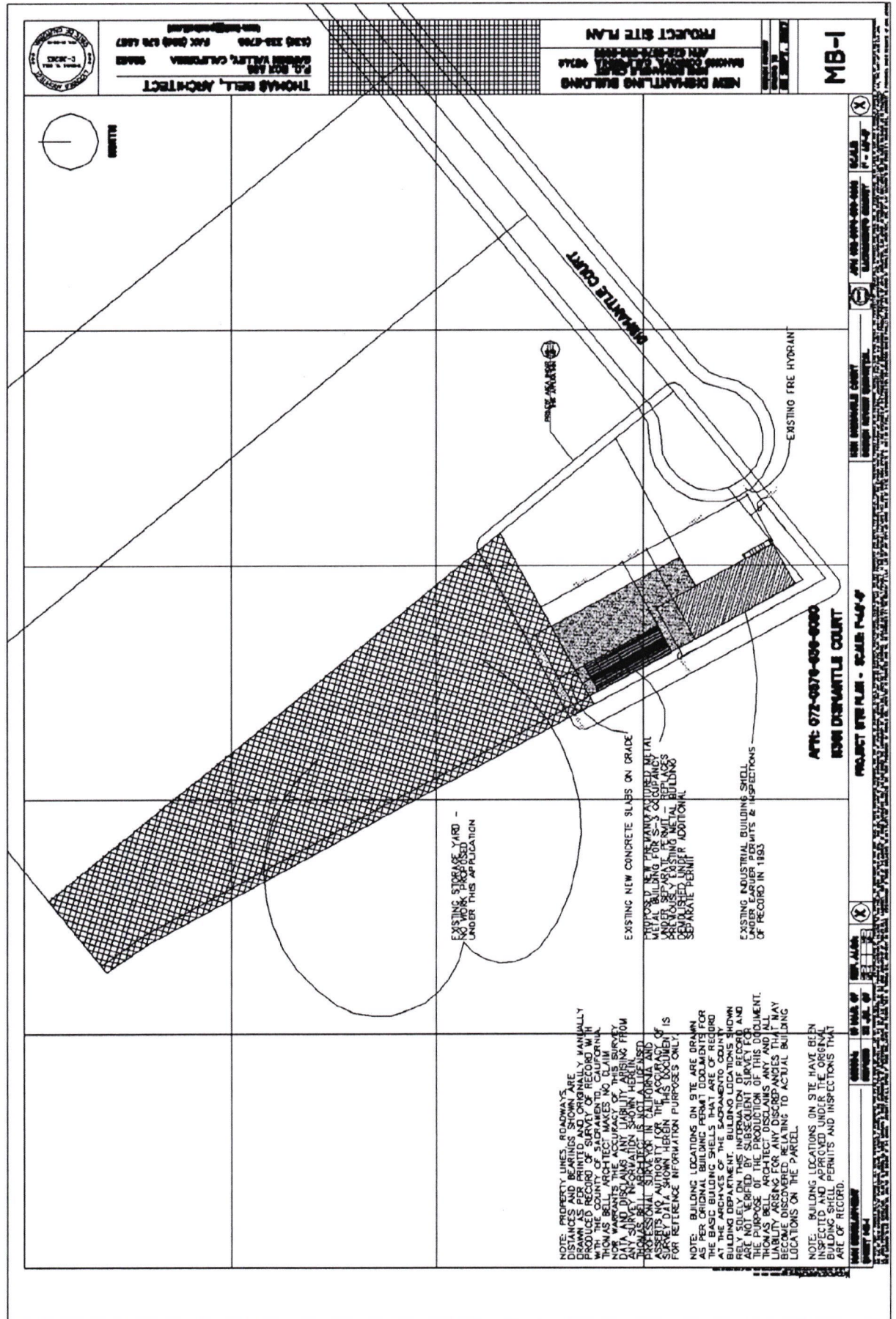
PARCEL ONE:

Parcel 2, as shown on the "Parcel Map", recorded in Book 80 at Page 23, records of said County.

PARCEL TWO:

An easement for ingress and egress and public utility purposes thereto over and across that portion of Parcels 1, 3, 4 and 5 lying within that certain "Irrevocable Offer of Dedication", as shown and delineated on the above referenced Parcel Map.

APN: 072-0570-030



Amount of Tax per Parcel by Land Use Category

A. Residential Dwelling Units

As adjusted for inflation from the original base year, the amount of Tax per Parcel for fiscal year 2009/2010 for Residential Land Use Categories shall be \$56.35 per low density residential dwelling unit or low density residential dwelling unit equivalent, \$45.08 per medium density residential dwelling unit or medium density residential dwelling unit equivalent, or \$33.81 per high density residential dwelling unit or high density residential dwelling unit equivalent. (Multi-family residential units on a single parcel shall be assessed on a proportionately equivalent basis (e.g., a two-unit attached housing structure, such as a duplex, would be deemed to consist of two residential parcels for purposes of the Transit-Related Services Special Tax).

B. Non-Residential

As adjusted for inflation from the original base year, The amount of Tax per Parcel for fiscal year 2009/2010 for Non-Residential Land Use Categories (except Recreational and Agricultural) shall be \$1,444.82 per retail and service commercial acre, \$1,241.96 per commercial mixed use or office commercial acre, and \$518.42 per light industrial acre.

C. Inflator Formula

The tax is subject to an annual inflator formula based on the Consumer Price Index for all Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose Area, or six percent, whichever is less.

MEMORANDUM



DATE: October 5, 2009

TO: Honorable Mayor and Council Members

FROM: Reed Flory, Housing Services Manager

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA ADOPTING A NEIGHBORHOOD STABILIZATION PROGRAM INCOME REUSE PLAN

RECOMMENDATION

Adopt Resolution 96-2009.

RESULT OF RECOMMENDED ACTION

Adoption of a Neighborhood Stabilization Program (NSP) Income Reuse Plan will allow the City of Rancho Cordova (City) to enter into an agreement with the California Department of Housing and Community Development (HCD) for the purpose of disbursing NSP funds.

BACKGROUND

Resolution No. 46-2009 authorizes the City Manager to submit an application to HCD for \$1,073,795 of NSP grant funding. HCD has formally accepted the City's NSP application for the full amount and requires the City to adopt a NSP Income Reuse Plan. This plan establishes policies and procedures for the administration and utilization of program income received as a result of activities funded under NSP.

ATTACHMENT

Resolution No. 96-2009 including (**Exhibit A**) NSP Income Reuse Plan.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 96-2009

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
ADOPTING AN NEIGHBORHOOD STABILIZATION PROGRAM (NSP) PROGRAM INCOME
REUSE PLAN**

WHEREAS, the City of Rancho Cordova (City) has applied for grant funding from the Neighborhood Stabilization Program (NSP) as authorized by Resolution No. 96-2009; and

WHEREAS, the California Department of Housing and Community Development (HCD), who administers the NSP grant, has accepted the City's application of NSP round 1 and awarded the full funding amount; and

WHEREAS, HCD requires the City to adopt an NSP program income reuse plan establishing guidelines on the policies and procedure for administration and utilization of program income received as a result of activities funded under NSP; and

WHEREAS, adoption of an NSP program income reuse plan is a requirement to enter into an agreement with HCD to begin disbursement of NSP funds; and

WHEREAS, the NSP income reuse plan will satisfy requirements of future NSP grant awards the City has applied for.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA adopts the attached NSP Program Income Reuse Plan (**Exhibit A**).

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of _____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

NSP PROGRAM INCOME REUSE PLAN**City of Rancho Cordova**

Date of this Plan: August 28, 2009

Reuse Plan Governing Program Income Reuse for Neighborhood Stabilization Program 1

The purpose of this plan is to establish guidelines on the policies and procedures for the administration and utilization of program income received as a result of activities funded under the State Department of Housing and Community Development (Department) Neighborhood Stabilization Program (NSP).

Need for Plan Governing Reuse of Program Income

This Reuse Plan is intended to satisfy the requirements specified in Federal statute and regulation at Section 104 (j) of the Housing and Community Development Act ("the Act"), as amended in 1992 and 24 CFR 570.489 (e) (3) and of Title III of Division B of the Housing and Economic Recovery Act of 2008 (HERA).

These statutory and regulatory sections permit the City to retain NSP program income generated by eligible NSP activities pursuant to HERA. The eligible NSP activities, funded with program income, shall principally benefit low-, moderate-, and middle-income (LMMI) individuals and families, and limited to only those activities as described in the City's NSP application and Exhibit B of the NSP Standard Agreement.

Program Income Defined

NSP Program Income is defined in federal regulation at 24 CFR 5703500(a) which specifies that the NSP program income is the gross income received by the City that has been directly generated from the use of NSP funds. There are limitations and requirements based on the NSP activity that generated the program income and on the date the income is received. Examples of program income include:

- Payments of principal and interest on housing rehabilitation or business loans made using NSP funds,
- Interest earned on program income pending its disposition, net proceeds from the disposition by sale or long-term lease of real property purchased or improved with NSP funds,
- Income (net of costs that are incidental to the generation of the income) from the use of rental of real property that has been acquired, constructed or improved with NSP funds and that is owed (in whole or in part) by the participating jurisdiction or sub-recipient.

1. Program Income generated by activities carried out pursuant to Section 2310(c)(3)(B) and (E).
 - a. Program income received before July 30, 2013, may be retained by the Grantee if it is treated as additional NSP funds and used in accordance with the requirements of Section 2301.

EXHIBIT A

- b. Program income received on or after July 30, 2013, must be returned to the Department.

Any program income received by the City on or after July 30, 2013, that is generated by activities carried out pursuant to Section 2310(c)(3)(B) and (E) (e.g., proceeds from the sale) and is not authorized to be retained as described below must be remitted to the Department.

Any program income received by a NSP grantee on or after July 30, 2013, that is generated by activities carried out pursuant to Section 2310(c)(3)(B) and (E) and that is in excess of the cost to acquire and redevelop or rehabilitate and abandoned or foreclosed-upon home or residential property may be retained if the Department accepts a request to use the funds for other NSP purposes.

Note that no profit can be earned on the sale of an abandoned or foreclosed-upon home or residential property to an individual as a primary residence; as provided under Section 2310(c)(3), the sale must be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate the home or property up to a decent, safe, and habitable condition.

- c. Revenue received by a private individual or other entity that is not a sub-recipient.

Any revenue generated by activities carried out pursuant to Section _____.

Any program income received by the City on or after July 30, 2013, that is generated by activities carried out pursuant to Section 2310(c)(3)(B) and (E) (e.g., proceeds from the sale) and is not authorized to be retained as described below must be remitted to the Department.

Any program income received by a NSP grantee on or after July 30, 2013, that is generated by activities carried out pursuant to Section 2310(c)(3)(B) and (E) and that is in excess of the cost to acquire and redevelop or rehabilitate and abandoned or foreclosed-upon home or residential property may be retained if the Department accepts a request to use the funds for other NSP purposes.

Note that no profit can be earned on the sale of an abandoned or foreclosed-upon home or residential property to an individual as a primary residence; as provided under Section 2310(c)(3), the sale must be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate the home or property up to a decent, safe, and habitable condition.

- i. That is in excess of the cost to acquire and redevelop (including reasonable development fees) or rehabilitate an abandoned or foreclosed-upon home or residential property must be provided to the state or unit of general local government and treated as program income. The disposition of the program income by the state or unit of general local government is governed by **a.** and **b.** above.

EXHIBIT A

- ii. Any revenue that is generated by activities carried out pursuant to Section 2310(c)(3)(B) and (E) and is received on or after July 30, 2013, shall be provided to the State and treated as program income. The disposition of the program income by the state is governed by **b.** above.
2. Program income generated by activities carried out pursuant to Section 2310(c)(3)(A), (C) and (E). Program income received may be retained by the State or unit of general local government if it is treated as additional NSP funds and used in accordance with the requirements of Section 2301. Revenue received by a private individual or other entity that is not a sub-recipient must be returned to the State.

Cash Management

1. All NSP program income must be disbursed for eligible NSP activities before additional NSP funds are made available to the City for an advance or reimbursement.
 - a. All NSP program income generated by NSP-funded activities must be placed in a separate NSP program income account.
 - b. The City will be allowed to use the NSP program income to meet the used/obligated milestones. Furthermore, any NSP program income funds that are not shown to be used/obligated on the City's next Quarterly NSP program income report must be returned to the Department.
2. Agreements with sub-recipients and other entities. States and units of general local governments must incorporate in sub-recipient agreements such provisions as are necessary to ensure compliance with the requirements of this paragraph, including the requirements that program income be remitted to the Department. States, units of general local government, and sub-recipients must incorporate in agreements with private individuals and other entities that are not sub-recipients such provisions as are necessary to ensure compliance with the requirements governing disposition of revenue generated by activities carried out pursuant to Section 2301 (c).

General Administration (GA) Cost Limitation

The City will be allowed general administrative costs of up to five percent (5%) of all NSP program income expended during each fiscal year.

Activity Delivery (AD) Cost Limitation

The City will be allowed activity deliver costs up to the percentage (%) of the total activity expenditure amount. The maximum activity deliver percentage (%) for each activity is:

Financing Mechanisms	up to 8%
Housing Acquisitions	up to 8%
Housing Rehabilitation	up to 19%
Disposition (rental, sale)	up to 8%
Landbanking	up to 8%

EXHIBIT A

Demolition	up to 8%
Redevelopment (public facilities, public improvements)*	up to 8%
*if complex labor standards are justified	up to 12%

Reuses of NSP Program Income

The City will be allowed to use the earned NSP program income for eligible NSP activities in the areas of greatest needs listed in the City's NSP application and in Exhibit B of the NSP Standard Agreement.

Any NSP program income funds that are not shown to be obligated on the City's next Quarterly NSP program income report must be returned to the Department.

Program income received on or after July 30, 2013, must be returned to the Department.

All program income generated by activities funded by NSP grants must be placed in a separate NSP program income account. NSP program income funds are not to be mixed with CDBG program income accounts.

Revising This Plan

The City has the authority to amend this document with the properly noticed City Council public meeting and acceptance by the Department.

MEMORANDUM



DATE: October 5, 2009
TO: Honorable Mayor and Council Members
FROM: Joe Chinn, Assistant City Manager
Adam Lindgren, City Attorney

SUBJECT: SPHERE OF INFLUENCE ANNEXATION - ADOPTION OF RESOLUTIONS APPROVING AGREEMENTS BETWEEN CITY OF RANCHO CORDOVA AND COUNTY OF SACRAMENTO REGARDING REVENUE SHARING UPON ANNEXATION OF SUNRISE-FOLSOM AREA TO CITY OF RANCHO CORDOVA AND PROPERTY TAX EXCHANGE AGREEMENT RELATING TO THE RANCHO CORDOVA SPHERE OF INFLUENCE

RECOMMENDATION

That Council:

- a) Adopt Resolution No. 92-2009 Approving an Agreement with the County of Sacramento Regarding Revenue Sharing; and
- b) Adopt Resolution No. 93-2009 Approving Tax Exchange Agreement with the County of Sacramento for the Rancho Cordova Sphere of Influence

RESULT OF RECOMMENDED ACTION

Approval of the two agreements will complete the property tax negotiation process required by law as a result of the City's application to LAFCO to annex its sphere of influence, resolve the lawsuit the City filed against the County regarding the property tax negotiations, and allow the LAFCO Executive Director to set the annexation application for hearing before LAFCO.

BACKGROUND

This area consists of approximately 1.2 square miles or 748 acres, includes 246 parcels and is commonly known as the Sunrise-Folsom area. As shown by the map in attachment 1, the northern border of the annexation area is Highway 50, the western boundary is Sunrise Boulevard and the eastern boundary is Hazel Avenue. The existing land uses are commercial and industrial in nature.

The area was designated by LAFCO as the City's sphere of influence when LAFCO approved incorporation of the City and was subsequently approved by the voters when they approved the incorporation. In August 2007, the Council adopted a resolution applying to the Sacramento County Local Agency Formation Commission (LAFCO) to annex the area within the City's sphere of influence (Resolution No. 81-2007). The reason for the application was to provide for the logical extension of the City.

State law requires the City to meet with the County to negotiate an exchange of property tax revenues from the annexation area. The law provides a 60-day period for the negotiations and, if no agreement is reached, the LAFCO Executive Director cannot set the application for hearing. If agreement regarding the property tax revenues is reached, the Council and Board of Supervisors must adopt resolutions approving the agreement and present them to the Executive Director. Once that occurs and the application is otherwise complete, the Executive Director can set the application for hearing before LAFCO.

The City and County agreed to stay the lawsuit proceedings and to engage in a dispute resolution process set forth in State law in an effort to reach agreement regarding the property tax revenues from the annexation area. City and County staff also had discussions regarding other revenues from the area and agreed to share some of the revenues. Assuming approval of the two agreements, the City and County shall submit a joint stipulation to the Court for entry of judgment.

If both the City and County approve both agreements and if LAFCO approves the annexation, the effect of the two agreements will be:

1. The City will recover all of its costs of services to the area and all of its administrative costs in administering the agreements;
2. The County will retain the property tax from the annexation area;
3. The City will retain all other revenues from the annexation area, which include sales and use tax, transient occupancy and utility users' tax revenues; and
4. The City will transmit 75% of sales and use tax, transient occupancy and a portion of the utility users' tax revenues to the County.

State law requires that the resolution approving the agreement with the County of Sacramento regarding revenue sharing be approved by a four-fifths vote of the City Council because it provides that the City will share sales and use tax revenues with the County.

The resolution of the City's lawsuit and approval of these agreements by the City Council and the Board of Supervisors will allow the LAFCO Executive Director to set the annexation application for hearing before LAFCO. The agreements will be considered by the Board of Supervisors at its October 20, 2009 meeting. If approved by both the Council and Board of Supervisors, the application should be considered by LAFCO at its November 4 or December 2, 2009 meeting.

ATTACHMENTS

1. Map of Sphere of Influence area.
2. Resolution No. 92-2009 Approving Property Tax Exchange Agreement with the County of Sacramento for the Rancho Cordova Sphere of Influence with "Property Tax Exchange Agreement between the County of Sacramento and the City of Rancho Cordova Relating to the Rancho Cordova Sphere of Influence" attached as **Exhibit A**.
3. Resolution No. 92-2009 Approving Agreement with the County of Sacramento Regarding Revenue Sharing with "Agreement between City of Rancho Cordova and County of Sacramento Regarding Revenue Sharing Upon Annexation of Sunrise-Folsom Area to City of Rancho Cordova" attached as **Exhibit A1**.

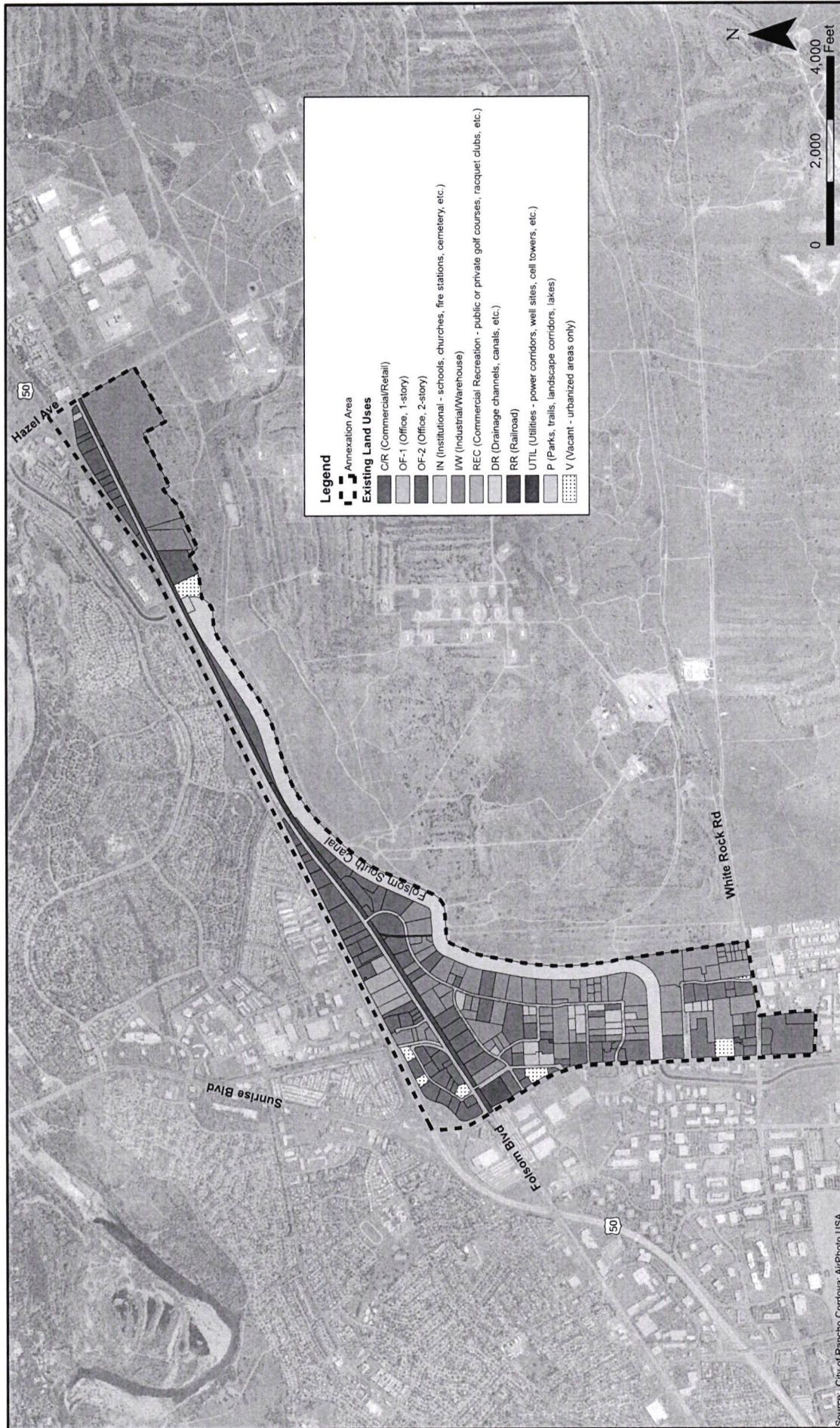


Figure 2-2
Existing Land Uses

Source: City of Rancho Cordova, AirPhoto USA

City of Rancho Cordova
Planning Department



CITY OF RANCHO CORDOVA

RESOLUTION NO. 92-2009

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
APPROVING A PROPERTY TAX EXCHANGE AGREEMENT BETWEEN THE COUNTY OF
SACRAMENTO AND THE CITY OF RANCHO CORDOVA, RELATING TO THE RANCHO
CORDOVA SPHERE OF INFLUENCE (SUNRISE/FOLSOM AREA)**

RECITALS

WHEREAS, on August 21, 2007, the City of Rancho Cordova ("City") submitted an application to the Local Agency Formation Commission of the County of Sacramento ("LAFCO") which LAFCO has designated as the "City of Rancho Cordova Annexation – Annexation of the Sphere of Influence (LAFCO 07-09) ("Proposed Annexation") to annex the City's sphere of influence to the City ("Annexation Area"); and

WHEREAS, as required by Revenue and Taxation Code Section 99(b), the LAFCO Executive Director gave notice of the filing to the Assessor and Auditor of the County of Sacramento ("County") ; and

WHEREAS, as required by Revenue and Taxation Code section 99(b) the County Auditor notified the City Council and the Board of Supervisors of the County of Sacramento of the amount of, and allocation factors with respect to, property tax revenue estimated pursuant to Revenue and Taxation Code section 99(b) that is subject to a negotiated exchange between the City and the County ("Section 99 negotiations"); and

WHEREAS, the negotiation period for the Section 99 negotiations began on December 5, 2007 and, by law, is limited to 60 days; and

WHEREAS, as required by Revenue and Taxation Code section 99(b), the City and the County commenced negotiations to determine the amount of property tax revenues to be exchanged between and among them; and

WHEREAS, the City and the County were unable to reach an agreement and agreed to go through the three-part dispute resolution process set forth in Revenue and Taxation Code section 99(e); and

WHEREAS, the City and the County have agreed to extend the time periods for the dispute resolution process; and

WHEREAS, the City and the County have completed the first and the second steps of the three-part dispute resolution process set forth in Revenue and Taxation Code section 99(e)(1)(A) and (B); and

WHEREAS, the City and the County are engaged in the third step of the three-part dispute resolution process set forth in Revenue and Taxation Code section 99(e)(1)(C); and

WHEREAS, Revenue and Taxation Code section 99(b)(4) provides that the exchange may be limited to an exchange of property tax revenues from the annual tax increment attributable to the local agencies whose service area or responsibilities will be altered and provides that the final exchange resolution to be adopted by the City's City Council and the County's Board of Supervisors shall specify how the annual tax increment shall be allocated in future years; and

WHEREAS, the purpose of this resolution is to set forth the amount of property tax revenues the City of Rancho Cordova agrees will be exchanged between the City and the County in connection with the Proposed Annexation and to specify how the City agrees the annual tax increment from the area to be annexed shall be allocated in future years; and

WHEREAS, it is the intention of the City Council that there be no change or adjustment to the allocation of property tax revenues as a result of the approval of the Proposed Annexation; that is, the City does not seek any property tax from the Annexation Area or any annual tax increment from the Annexation Area. The City would, thus, have no allocation factor for the tax rate area that contains the Annexation Area; there would be no "exchange" of property tax revenues; and the City would receive no property tax revenues from the Annexation Area following annexation; and

WHEREAS, the representatives of the City and the County have reached an agreement regarding the exchange of property tax revenues, which agreement is entitled "Property Tax Exchange Agreement Between the County of Sacramento and the City of Rancho Cordova, Relating to the Rancho Cordova Sphere of Influence," which agreement is attached hereto as **Exhibit A**; and

WHEREAS, the City Manager recommends approval of the agreement; and

WHEREAS, all terms used herein shall be as defined in the Revenue and Taxation Code.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA that the Council resolves as follows:

1. The City Council of the City of Rancho Cordova approves the "Property Tax Exchange Agreement Between the County of Sacramento and the City of Rancho Cordova, Relating to the Rancho Cordova Sphere of Influence," and authorizes and directs the City Manager to sign it in substantially the form attached as **Exhibit A**.
2. The City Council of the City of Rancho Cordova directs the City Clerk to send a copy of this resolution and said agreement to the Executive Director of the Sacramento County Local Agency Formation Commission.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

**PROPERTY TAX EXCHANGE AGREEMENT
BETWEEN THE COUNTY OF SACRAMENTO AND THE CITY OF RANCHO
CORDOVA, RELATING TO THE RANCHO CORDOVA SPHERE OF INFLUENCE**

This PROPERTY TAX EXCHANGE AGREEMENT (hereinafter "Agreement") is made and executed in duplicate this _____ day of _____, 2009 by and between the COUNTY OF SACRAMENTO, a political subdivision of the State of California (hereinafter referred to as "COUNTY"), and the CITY OF RANCHO CORDOVA, a general law city (hereinafter referred to as "CITY").

RECITALS

A. On June 6, 1978, the voters of the State of California amended the California Constitution by adding Article XIII A thereto which limited the total amount of property taxes which could be levied on property by local taxing agencies having such property within their territorial jurisdiction to one percent (1%) of full cash value; and

B. Following such constitutional amendment, the California Legislature added Section 99 to the California Revenue and Taxation Code which requires a city seeking to annex property to its incorporated territory and a county affected by such annexation to agree upon an exchange of property taxes which are derived from such property and available to the county and city following annexation of the property to the incorporated territory of the city; and

C. CITY has filed an application with the Sacramento Local Agency Formation Commission ("LAFCO"), entitled "City of Rancho Cordova Annexation – Annexation of the Sphere of Influence (LAFCO-07-09)," requesting its approval of the annexation of approximately 748 acres of real property to CITY, consisting of all of the area within the CITY's sphere of influence, as designated by LAFCO and approved by the voters in November 2002 ("the Sunrise-Folsom Annexation"); and

D. COUNTY and CITY wish to work together to develop a fair and equitable approach to the sharing of real property ad valorem taxes imposed and collected as authorized by the Revenue and Taxation Code in order to encourage sound urban development and economic growth; and

E. The purpose of this Agreement is to serve as a Property Tax Transfer Agreement pursuant to Section 99 of the California Revenue and Taxation Code for the Sunrise-Folsom Annexation.

COUNTY and CITY hereby agree as follows:

Section 1. Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) "Annexation Area" shall mean that portion of the unincorporated area of COUNTY designated by LAFCO as the sphere of influence of CITY known as the "Sunrise-Folsom Annexation",

(b) "Annexation Date" shall mean the date specified by the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (California

Government Code § 56000 et seq.) as the effective date of the Sphere of Influence Annexation.

(c) "Sunrise-Folsom Annexation" shall mean the annexation to the CITY as delineated in Sacramento Local Agency Formation Commission Application Control Number "LAFC 07-09", the annexation of which to CITY is subsequently approved and completed by the Sacramento Local Agency Formation Commission as provided in the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (California Government Code § 56000 et seq.).

(d) "Property Tax Revenue" shall mean revenue from "ad valorem real property taxes on real property", as said term is used in Section 1 of Article XIII A of the California Constitution and more particularly defined in subsection (c) of Section 95 of the California Revenue and Taxation Code, that is collected from within the Annexation Area, is available for allocation to the City and the County, and is currently allocated to the County General Fund and County Road Fund.

Section 2. Purpose of Agreement. The purpose of this Agreement is to set forth the exchange of Property Tax Revenue between CITY and COUNTY as required by Section 99 of the California Revenue and Taxation.

Section 3. Exchange of Property Tax Revenues. On and after the Annexation Date, the COUNTY and CITY shall exchange Property Tax Revenue as follows:

(a) CITY shall receive none of the Property Tax Revenues from the Annexation Area when and as such revenues are apportioned to jurisdictions in the tax rate area by the County Auditor pursuant to Article 2 of Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code, including Revenue and Taxation Code section 96.1.

(b) CITY shall receive none of the annual tax increment from the Annexation Area when and as such revenues are apportioned to jurisdictions in the tax rate area by the County Auditor pursuant to Article 2 of Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code, including Revenue and Taxation Code section 96.5.

Section 4. Exchange by County Auditor. COUNTY and CITY agree that all of the exchanges of Property Tax Revenue required by this Agreement shall be made by the County Auditor.

Section 5. Disposition of Litigation. After CITY's City Council and COUNTY's Board of Supervisors have adopted resolutions approving this Agreement, and authorizing and directing the Mayor and Board Chairperson to sign the Agreement, and after the Mayor and Board Chairperson have signed the Agreement and the resolutions, CITY and COUNTY shall submit a joint stipulation to the Court in Sacramento Superior Court Case No. 34-2008-00002478-CU-WM-GDS initiated by CITY by its Complaint and Petition for Writ of Mandamus which names as Defendants and Respondents the County of Sacramento and the Sacramento County Board of Supervisors, and asks the Court, among other things, to issue a peremptory writ of mandamus directing the County to adopt a resolution ratifying a property tax sharing agreement for entry of judgment pursuant to the terms of this agreement. CITY and COUNTY shall each bear

their own attorneys' fees in connection with the litigation of the Petition for Writ of Mandamus and Complaint for Declaratory Relief.

Section 6. Mutual Defense of Agreement. If the validity of this Agreement is challenged in any legal action by a party other than COUNTY or CITY, the CITY agrees that the COUNTY may defend the CITY against the legal challenge at no cost to the CITY.

Section 7. Modification. The provision of this Agreement and all of the covenants and conditions set forth herein may be modified or amended only by a writing duly authorized and executed by both the COUNTY and CITY.

Section 8. Reformation. COUNTY and CITY understand and agree that this Agreement is based upon existing law, and that such law may be substantially amended in the future. In the event of an amendment of state law which renders this Agreement invalid or inoperable or which denies any party thereto the full benefit of this Agreement as set forth herein, in whole or in part, then COUNTY and CITY agree to renegotiate the Agreement in good faith.

Section 9. Effect of Tax Exchange Agreement. This Agreement shall be applicable solely to the Sunrise-Folsom Annexation and does not constitute either a master tax sharing agreement or an agreement on property tax exchanges which may be required for any other annexation to the CITY, nor does it alter, enlarge or affect any revenue sharing obligations of the City by way of incorporation on July 1, 2003.

Section 10. Entire Agreement. With respect to the subject matter hereof only, this Agreement supersedes any and all previous negotiations, proposals, commitments, writings, and understandings of any nature whatsoever between COUNTY and CITY except as otherwise provided herein.

Section 11. Notices. All notices, requests, certifications or other correspondence required to be provided by the parties to this Agreement shall be in writing and shall be personally delivered or delivered by first class mail to the respective parties at the following addresses:

<u>COUNTY</u>	<u>CITY</u>
County Executive	City Manager
County of Sacramento	City of Rancho Cordova
700 H Street, Room 7650	2729 Prospect Park Drive
Sacramento, CA 95814	Rancho Cordova, CA 95670

Notice by personal delivery shall be effective immediately upon delivery. Notice by mail shall be effective upon receipt or three days after mailing, whichever is earlier.

Section 12. Approval, Consent, and Agreement. Wherever this Agreement requires a party's approval, consent, or agreement, the party shall make its decision to give or withhold such approval, consent or agreement in good faith, and shall not withhold such approval, consent or agreement unreasonably or without good cause.

Section 13. Construction of Captions. Captions of the sections of this Agreement are for convenience and reference only. The words in the captions in no way explain, modify, amplify, or interpret this Agreement.

EXHIBIT A

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in the county of Sacramento, State of California, on the dates set forth above.

COUNTY OF SACRAMENTO, a political
subdivision of the State of California

By _____
Chairperson of the Board of Supervisors

(SEAL)

ATTEST: _____
Clerk of the Board of Supervisors

Approved As to Form:

County Counsel

CITY OF RANCHO CORDOVA, a general law
city

By: _____
Ted Gaebler, City Manager

(SEAL)

ATTEST: _____
Mindy Cuppy, City Clerk

Approved As to Form:

City Attorney

1283024.4

CITY OF RANCHO CORDOVA

RESOLUTION NO. 93-2009

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
APPROVING AN AGREEMENT BETWEEN THE CITY OF RANCHO CORDOVA AND THE
COUNTY OF SACRAMENTO REGARDING REVENUE SHARING UPON ANNEXATION OF
SUNRISE-FOLSOM AREA**

RECITALS

WHEREAS, on August 21, 2007, the City of Rancho Cordova ("City") submitted an application to the Local Agency Formation Commission of the County of Sacramento ("LAFCO") which LAFCO has designated as the "City of Rancho Cordova Annexation – Annexation of the Sphere of Influence (LAFCO 07-09) ("Proposed Annexation") to annex the City's sphere of influence to the City ("Annexation Area"); and

WHEREAS, as required by Revenue and Taxation Code Section 99(b), the LAFCO Executive Director gave notice of the filing to the Assessor and Auditor of the County of Sacramento ("County") ; and

WHEREAS, as required by Revenue and Taxation Code section 99(b) the County Auditor notified the City Council and the Board of Supervisors of the County of Sacramento of the amount of, and allocation factors with respect to, property tax revenue estimated pursuant to Revenue and Taxation Code section 99(b) that is subject to a negotiated exchange between the City and the County ("Section 99 negotiations"); and

WHEREAS, the negotiation period for the Section 99 negotiations began on December 5, 2007 and, by law, is limited to 60 days; and

WHEREAS, as required by Revenue and Taxation Code section 99(b), the City and the County commenced negotiations to determine the amount of property tax revenues to be exchanged between and among them; and

WHEREAS, the City and the County were unable to reach an agreement regarding the amount of property tax revenues to be exchanged between and among them and the City filed a Petition for Writ of Mandamus and Complaint for Declaratory Relief in Sacramento Superior Court, Case No. 34-2008-00002478-CU-WM-GDS, on January 31, 2008 ("Complaint"), within the 60-day period; and

WHEREAS, prior to responding to the Complaint, the City and the County agreed to go through the three-part dispute resolution process set forth in Revenue and Taxation Code section 99(e) in an effort to come to agreement regarding the amount of property tax revenues to be exchanged between and among them; and

WHEREAS, the Sacramento Superior Court has stayed the proceedings in order to allow the City and the County to complete the three-part dispute resolution process;

WHEREAS, the City and the County agreed to extend the time periods for the dispute resolution process; and

ATTACHMENT 3

WHEREAS, the City and the County have completed the three-part dispute resolution process set forth in Revenue and Taxation Code section 99(e)(1)(A) and (B); and

WHEREAS, the City and the County engaged in separate and parallel negotiations to discuss other issues of concern to them regarding the Annexation Area such as the provision of services; and

WHEREAS, the result of their negotiations pursuant to the three-part dispute resolution process set forth in Revenue and Taxation Code section 99(e) and their separate and parallel negotiations, the City and the County have agreed to resolve the issues raised in the Complaint on the terms set forth in a separate agreement and to resolve the other issues which were the subject of their separate and parallel negotiations on the terms set forth in the attached "Agreement Between the City of Rancho Cordova and the County of Sacramento Regarding Revenue Sharing Upon Annexation of Sunrise-Folsom Area to City of Rancho Cordova" (**Exhibit A1**) ("Agreement"); and

WHEREAS, the City Manager recommends approval of the Agreement; and

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

1. The City Council of the City of Rancho Cordova approves the "Agreement Between the City of Rancho Cordova and the County of Sacramento Regarding Revenue Sharing Upon Annexation of Sunrise-Folsom Area to City of Rancho Cordova" and authorizes and directs the City Manager to sign it in substantially the form attached as **Exhibit A1**.
2. The City Council of the City of Rancho Cordova directs the City Clerk to send a copy of this resolution and said Agreement to the Finance Director of the City of Rancho Cordova.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

**AGREEMENT BETWEEN CITY OF RANCHO CORDOVA AND COUNTY OF SACRAMENTO
REGARDING REVENUE SHARING UPON ANNEXATION OF SUNRISE-FOLSOM AREA TO
CITY OF RANCHO CORDOVA**

This agreement is entered into in duplicate this ____ day of September 2009 between the City of Rancho Cordova, a general law city ("City"), and the County of Sacramento, a political subdivision of the State of California ("County").

RECITALS

A. Factual Background

On or about August 21, 2007 and pursuant to the Cortese-Knox-Hertzberg Act, Government Code § 56000 et seq., the City submitted to the Local Agency Formation Commission of Sacramento County ("LAFCO") an application proposing the annexation of an unincorporated territory of Sacramento County consisting of the City's sphere of influence ("Annexation Area"). LAFCO has designated the annexation application as "City of Rancho Cordova Annexation – Annexation of the Sphere of Influence (LAFC-07-09)" ("the Annexation"). The Annexation Area is sometimes referred to as the "Sunrise-Folsom Area."

As required by Revenue and Taxation Code § 99 ("Section 99"), the City and the County commenced negotiations to determine the amount of the 1% *ad valorem* property tax subject to negotiations to be exchanged. Although the City and the County met and exchanged correspondence, and the City made an offer by letter of December 19, 2007, they did not reach agreement regarding the exchange of property tax from the Annexation Area.

B. Procedural Background

On January 31, 2008, the City filed its Complaint and Petition for Writ of Mandamus ("Complaint") in Sacramento Superior Court (Case No. 34-2008-00002478-CU-WM-GDS), naming as Defendants and Respondents the County of Sacramento and the Sacramento County Board of Supervisors. The Complaint asks the Court to issue a peremptory writ of mandamus directing the County to accept the City's offer of December 19, 2007 and adopt a resolution ratifying the parties' property tax sharing agreement within the time required by Section 99; to declare that the exchange of property tax revenues and the annual tax increment from the territory proposed for annexation is the only subject matter negotiable under Section 99; and to order the parties to limit their Section 99 negotiations to said property tax revenues and annual tax increment.

The City and the County stipulated that the Court could stay the proceedings to enable the City and County to pursue the three-part dispute resolution process set forth in Section 99, subdivision (e), in an effort to reach agreement regarding the exchange of property tax from the Annexation Area.

The three-part dispute resolution process involves the retention of a third-party fiscal consultant to perform an independent fiscal analysis of tax revenues derived from, and the costs of the city and the county services to, the proposed annexed territory. If the information contained in the fiscal analysis does not precipitate an agreement, subdivision (e) requires the affected local agencies to participate in mediation and then an arbitration process. The City and the County jointly retained fiscal consultant Rosenow Spevacek Group, Inc. (RGS), which prepared a report dated December 23, 2008 entitled "Sunrise/Folsom Annexation Fiscal

Analysis Performed for the County of Sacramento & the City of Rancho Cordova" (the "Fiscal Analysis"). The Fiscal Analysis is attached hereto and incorporated herein as **Exhibit A**. The City and the County reviewed the Fiscal Analysis but did not reach agreement on the exchange of property tax revenues. The City and the County then retained a mediator and participated in mediation; upon the completion of the mediation, no exchange of property tax revenues was agreed upon. As a third step, subdivision (e) requires that the city and the county select and pay for an arbitrator to conduct an advisory arbitration for a 30 day period. The City and the County have extended the arbitration period through December 31, 2009, provided an arbitrator is retained by September 30, 2009.

The parties stipulated to extend time for the Defendants and Respondents to respond to the Complaint and the Court entered its Order staying the proceedings through October 31, 2009. The attached agreement entitled "Property Tax Exchange Agreement Between the County of Sacramento and the City of Rancho Cordova Relating to the Rancho Cordova Sphere of Influence Annexation" ("Property Tax Exchange Agreement") (**Exhibit B** attached hereto) provides that, following that Agreement's execution, the City and County shall submit a joint stipulation to the Court for entry of judgment.

AGREEMENT

Now, therefore, the City and the County agree as follows:

I. INTENT OF THE PARTIES

Notwithstanding the parties' respective legal contentions, all parties desire to resolve the dispute set forth in the Complaint without the necessity of further litigation. This Agreement, therefore, is entered into with the intent of resolving all claims in the Complaint.

The City and the County agreed to resolve the lawsuit on the following four fundamental terms:

A. The City will recover all of its costs of providing services to the Annexation Area.

B. The County will continue to receive all of its current allocation from the one percent (1%) *ad valorem* property tax rate provided in Article XIII A, section 1, subdivision (a) of the California Constitution from the Annexation Area following the annexation.

C. Following recovery of its costs of services, the City will transmit to the County 75% of the Bradley-Burns Uniform Sales and Use tax, transient occupancy tax and utility users' tax revenues (on energy and gas usage) received by the City from the Annexation Area.

D. The City's annual recovery of its costs of providing services and its sharing of sales and use tax, transient occupancy tax and utility users' tax revenues with the County be administratively simple and efficient.

Accordingly, the process for calculating the City's costs of providing services and the revenue sharing is designed to minimize the amount of administration required, and such process therefore sacrifices precision for simplicity. The parties recognize that there may be changes in the facts and/or the law that exist as of the date of this Agreement that may necessitate the interpretation or amendment of this Agreement in the future to effectuate the

fundamental intent of the parties as expressed above and set forth more herein. In particular, the parties recognize that the State of California may enact legislation, whether by the State Legislature or by the people by the initiative, or a court may issue an order that affects or changes the revenues from the Annexation Area identified in the Fiscal Analysis, including without limitation changes in the types of revenues, the percentages of any taxes or fees, the persons or entities subject to any taxes or fees or the manner in which revenues are distributed to entities. All of these changes have the potential to result in the revenue sharing process becoming inconsistent with the parties' fundamental intent. Therefore, if one of the parties believes that, because of changes in law, the revenue sharing has become inconsistent with the parties' fundamental intent, that party may request that revisions to the revenue sharing process be made to conform to the parties' intent, and, in such event, the parties shall negotiate in good faith to reach agreement on revisions, if appropriate, to the revenue sharing process.

The parties' agreement regarding the four fundamental terms is described in more detail in this Agreement, including the exhibits hereto.

II. PROPERTY TAX REVENUES

The parties' agreement that the County will retain 100% of the *ad valorem* property taxes from the Annexation Area following the effective date of the Annexation shall be implemented by adoption by City's City Council and County's Board of Supervisors of resolutions approving the attached agreement entitled "Property Tax Exchange Agreement Between the County of Sacramento and the City of Rancho Cordova Relating to the Rancho Cordova Sphere of Influence Annexation" ("Property Tax Exchange Agreement") (**Exhibit B** attached hereto) and authorizing and directing the Mayor and Board Chairperson to sign such agreement. The parties agree to adopt such resolutions no later than October __, 2009.

This Agreement does not apply to any revenue attributable to an increase in the 1% *ad valorem* property tax rate in excess of 1% as a method of generating revenue, as provided in Article XIII A, section 1, subdivision (b) or any successor provision of the California Constitution, commonly referred to as "property tax overrides." The tax revenue attributable to such an increase shall be allocated and paid to the City.

The parties acknowledge that the monies received by the City from the Vehicle License Fee Property Tax Compensation Fund as the "vehicle license fee adjustment amount" pursuant to Revenue and Taxation Code section 97.70 are not subject to this Agreement.

III. RECOVERY OF COSTS OF SERVICES AND SHARING CITY REVENUES FROM THE ANNEXATION AREA FROM SALES AND USE TAXES, TRANSIENT OCCUPANCY TAXES AND UTILITY USERS' TAXES

The parties' agreement that the City will retain revenues from the Annexation Area to cover its costs of services to the Annexation Area during each fiscal year and that the City will transfer 75% of the sales and use tax, transient occupancy tax and utility users' tax revenues (from energy and gas usage) from the Annexation Area to the County shall be implemented following the effective date of the Annexation in the manner set forth in **Exhibit C**, attached hereto and incorporated herein, entitled "Annual Steps for City to Recover Costs of Services and To Share Tax Revenues with County from the Sunrise-Folsom Annexation Area."

The parties' agreement to share certain revenues from the Annexation Area does not include property tax revenues identified in Paragraph II above, tax revenues identified in

Paragraph IV below, revenues derived from an increase in the rate of the transient occupancy tax in excess of 12% or revenues derived from a utility users' tax that broadens the services subject to such tax and/or increases the rate of such tax over the services subject to the tax and/or rate in effect as of the effective date of the annexation.

IV. AGREEMENT TO SHARE SALES AND USE TAX REVENUES

The provisions of Article XIII, Section 29(b) of the California Constitution authorize cities and counties to enter into contracts to apportion between them the revenue derived from any sales or use tax imposed by them pursuant to local sales and use tax law, provided that a resolution approving the contract is approved by a two-thirds (2/3) vote of both the city council and the board of supervisors. This agreement is entered into pursuant to Government Code sections 55700 to 55707 which specify the procedures under which revenues derived from the tax collected pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law provided for in Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code ("Bradley-Burns Act") and distributed by the State Board of Equalization to the City from the Annexation Area may be shared by the City with the County.

The parties' agreement that the City will share actual sales and use tax revenues received from the Annexation Area with the County after the City has received its costs of services shall be implemented after the effective date of the Annexation as set forth in this Agreement, including all exhibits, provided this Agreement is approved by resolutions adopted by a two-thirds' vote by City's City Council and County's Board of Supervisors. The parties agree to adopt such resolutions no later than October __, 2009.

This Agreement does not apply to any revenue attributable to an increase by the City following the effective date of annexation of its sales and use tax, enacted pursuant to the Bradley-Burns Act, in excess of one percent, a transactions and use tax or other tax imposed on retailers for the privilege of conducting business in the City.

V. IMPLEMENTATION OF THIS AGREEMENT

A. Effective Date of Agreement

This Agreement shall become effective when executed by both parties.

B. Integration

The terms of this Agreement are intended by the parties as a final expression of their agreement and understanding with respect to such terms as are included in this Agreement and may not be contradicted by evidence of any prior or contemporaneous agreement. The parties further intend that this Agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced to vary its terms in any proceeding involving this Agreement.

C. Dispute Resolution

(1) Inadmissibility. Should any disputes arise as to the performance of this Agreement, the County and the City agree to the dispute resolution process set forth below. All conduct, testimony, statements or other evidence made or presented during the meeting described in subsection (2) below shall be confidential and inadmissible in any

subsequent arbitration proceedings brought to prove liability for any claimed breach or damages which are the subject of the dispute resolution process.

(2) Initiation of Process. The County or the City may initiate the dispute resolution process by notifying the other in writing of a potential dispute concerning the performance of this Agreement. This written notification shall include all supporting documentation, shall state what is in dispute, and shall request a meeting between the County Executive and the City Manager, or their respective designees. The purpose of this meeting shall be to ascertain whether a resolution of the disagreement is possible without third-party intervention. This meeting shall be scheduled to take place within thirty (30) working days of receipt of the written notification of the dispute. At the meeting, the respective representatives of the County and the City shall attempt to reach an equitable settlement of the disputed issue(s). The representatives may agree to conduct further meetings or other communications for up to thirty (30) days in an attempt to reach an equitable settlement.

(3) Third Party Neutral Resolution. If the initial meeting and any further meetings and communications provided for in subsection (2) above do not fully resolve the disagreement, the parties shall then within ten (10) working days each appoint a single representative who is knowledgeable and experienced in matters of the sort addressed by this Agreement, including local government finance, taxation, revenues, and accounting. Those two representatives shall then, within twenty (20) working days, agree between themselves to appoint a neutral third person who is similarly knowledgeable and experienced in local government finance, taxation, revenues, and accounting, and who is not employed by or affiliated with the City or the County (the Third Party Neutral). The Third Party Neutral shall resolve the parties' dispute. He or she shall meet with, and solicit and review such written submissions and documents as he or she deems appropriate from, the County Executive and the City Manager, or their respective designees, over a period of up to sixty (60) days from the Third Party Neutral's selection. All methods of discovery procedures authorized under the California Discovery Act, commencing at CCP §§ 2016.050 et. seq., shall be applicable to the arbitration proceeding, and all redress thereunder shall be made to the Third Party Neutral who shall make all appropriate orders consistent with relevant legal precedent. The Third Party Neutral shall have no authority to add to, delete or otherwise modify the provisions of this Agreement or rule upon the underlying validity of this Agreement or any of its provisions. The Third Party Neutral shall render a decision within twenty (20) days of the expiration of that period. The Third Party Neutral's decision shall be final and controlling between the City and the County, and shall not be subject to judicial review except that judicial review shall be available to determine if the Third Party Neutral exceeded his or her authority as defined herein. The parties shall pay any monetary award and/or comply with any other order of the Third Party Neutral within sixty (60) days of his or her decision.

(4) Costs. The parties shall equally share the Third Party Neutral's fees and expenses. Each party shall bear its own costs, expenses and attorney's fees, and no party shall be awarded such costs, expenses, or attorney's fees incurred in the dispute resolution process.

D. Construction and Interpretation

It is agreed and acknowledged by the parties hereto that the provisions of this Agreement have been arrived at through negotiation, and that each of the parties has had a full and fair opportunity to revise the provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are

to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

E. Waiver

The waiver at any time by either party of any of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or other matter.

F. Notices

Any notice, demand, request, consent, or approval that any party hereto may, or is required to, give the other shall be in writing and shall be deemed to have been received three (3) days after being deposited in the United States mail, first class postage prepaid, and addressed as follows:

TO COUNTY: TO CITY:

County Executive	City Manager
County of Sacramento	City of Rancho Cordova
700 H Street, Room 7650	2729 Prospect Park Dr.
Sacramento, CA 95814	Rancho Cordova, CA 95670

Any party hereto shall have the right to serve any notice by personal delivery, and change the address at which it will receive such communications by giving fifteen (15) days advance notice to the other party.

G. Counterparts

This Agreement may be executed in separate counterparts.

H. Litigation Affecting The City's Ability to Collect Tax Revenues

The parties will cooperate in the defense of any action brought against the City, including the City Council and/of any City official, that challenges the City's ability to levy and/or collect the sales and use tax, transient occupancy tax and/or utility users' tax or seeks a refund of any such taxes, provided that the County is entitled to receive 75% of such tax revenues pursuant to this Agreement. If a claim is made and/or litigation is brought against the City challenging the legality of any of the taxes or claiming a refund of any such taxes, the City may place the disputed revenues that it would otherwise transmit to the County pursuant to this Agreement into an impound account until the claim and/or lawsuit is resolved.

J. Exhibits

The following exhibits are included as part of this Agreement:

- (a) Exhibit A, entitled "Fiscal Analysis";
- (b) Exhibit B, entitled "Property Tax Exchange Agreement";
- (c) Exhibit C, entitled "Annual Steps for City to Recover Costs of Services and To Share Tax Revenues with County from the sunrise-Folsom Annexation Area."

VI. AMENDMENT OF AGREEMENT

The parties agree to negotiate in good faith to amend this Agreement to address conditions imposed by LAFCO or changes in state law that substantially affect the provisions of this Agreement. The parties' negotiations shall be governed by the parties' intent as stated in Paragraph I above.

Date:

City of Rancho Cordova
Ted Gaebler, City Manager

Date:

County of Sacramento
Susan Peters, Chairperson

Date:

Sacramento County Board of Supervisors
Susan Peters, Chairperson

APPROVED AS TO FORM:

Date:

Counsel for City of Rancho Cordova

Date:

Counsel for County of Sacramento and
Sacramento County Board of Supervisors

1286407.5

**COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA**



SUNRISE/FOLSOM ANNEXATION FISCAL ANALYSIS
Performed for the County of Sacramento & the
City of Rancho Cordova
December 23, 2008

**COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA**

SUNRISE/FOLSOM ANNEXATION FISCAL ANALYSIS

CONTENTS OF THIS STUDY

INTRODUCTION	1
Purpose of This Study	1
Study Area Description	1
METHODOLOGY AND ASSUMPTIONS	2
Revenues	3
Property Taxes	4
Property Transfer Taxes	4
Sales Tax	4
Transient Occupancy Taxes	5
Motor Vehicle License Fees and Property Tax In-Lieu	5
Utility User's Tax	5
Franchise Fees	6
Community Development Fees	6
Business License Fees	7
Animal License Fees	7
Fines and Forfeitures	7
Stormwater	7
CSA 1 Streetlighting	8
Expenditures	8
General Government	8
Community Development	9
Code Enforcement	10
Stormwater	11
Animal Control	11
CSA 1 Streetlighting	11
Law Enforcement	12
Fire Protection	13
PROJECTED IMPACT ON CITY ROAD FUND	13
Revenues	13
Expenditures	13
SUMMARY	15



INTRODUCTION

The County of Sacramento ("County") and the City of Rancho Cordova ("City") have commissioned this fiscal analysis of the proposed annexation of the City's Sphere of Influence ("Study Area"). The Study Area is currently located in unincorporated Sacramento County, adjacent to the City limits. If this area is annexed, the City would replace the County as the primary provider of local municipal services. This study estimates the past and projected costs and revenues for providing municipal services to the Study Area before and after annexation to the City.

PURPOSE OF THIS STUDY

This Study provides a fiscal analysis of two scenarios for service provision to the Study Area, including a five year forecast of municipal revenues and expenditures depending upon whether the area remains unincorporated or is annexed by the City. Scenario A assumes the Study Area will remain unincorporated and within the County's jurisdiction, Scenario B assumes the area is annexed and therefore the responsibility of the City. For context and perspective, a five year history of actual expenditures by the County was also included in this analysis.

The financial evaluation is comprised of an operational budget model of the General Fund and Road Fund, the two primary funds involved in providing municipal services. This Study is limited to these reoccurring operating revenues and costs and does not account for capital expenditures or other one-time events. For example, we have accounted for recurring general maintenance of roads, but not the cost for the design and installation of infrastructure improvements. We have not taken into consideration the potential of any catastrophic or otherwise unpredictable event within the Study Area which could affect projections. RSG did not conduct an in-depth analysis pertaining to infrastructure needs, nor did we take into account state or federal monies that may be available to fund such capital improvements.

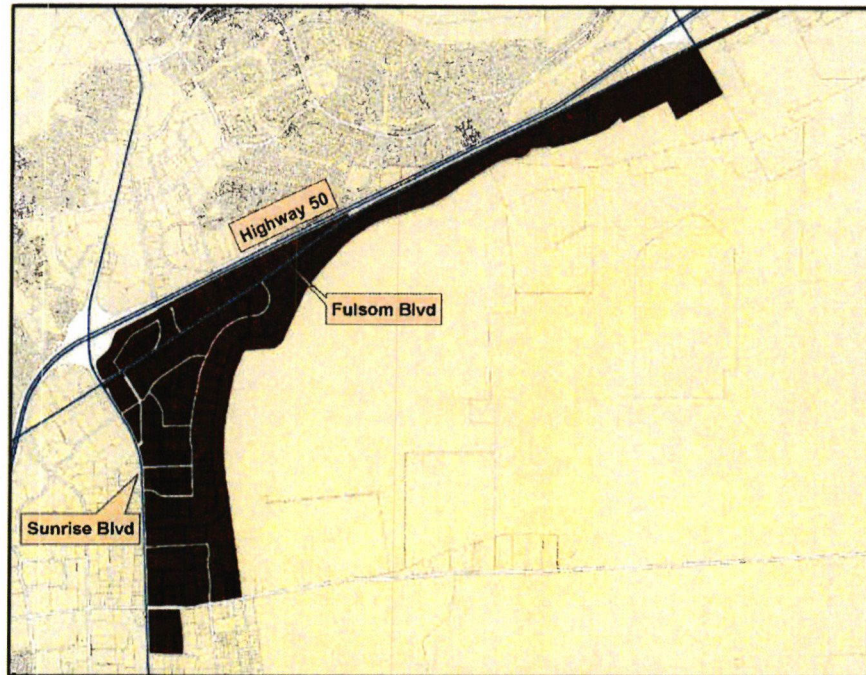
STUDY AREA DESCRIPTION

Approximately 748 acres in size, the Study Area is located immediately northeast of the City of Rancho Cordova limits and is the entirety of the City's unincorporated sphere of influence, as designated by the Sacramento County Local Agency Formation Commission ("LAFCo"). More specifically, the Study Area is located along the eastern stretch of Sunrise Boulevard, between Highway 50 and a commercial area south of White Rock Road, and along both sides of Folsom Boulevard, between Sunrise Boulevard and Nimbus Road, as shown in Exhibit 1.

The Study Area is generally developed with commercial uses, including retail, office, hotels, and industrial uses. There are few vacant parcels and no residents currently live in the Study Area. Nearby communities include Rancho Cordova, Nimbus, Fair Oaks, and Alder Creek. Mather Field lies to the south. The region directly to the southeast of Study Area is currently vacant.

STUDY AREA MAP

EXHIBIT 1



METHODOLOGY AND ASSUMPTIONS

Annexations must follow the legal requirements established by Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, California Government Code §56000, ("CKH Act"). As part of an annexation proceeding, cities and counties may negotiate a property tax exchange, which precipitated the need for this analysis.

It should be noted that the figures presented in this Study do not represent exact future sums. All projections are illustrative in nature and must be based on assumptions and methodologies which could alter forecasted amounts if changed. Many factors are outside local control, such as changes in the regional or national economy, natural disasters, or alterations in state or federal law. This Study makes every attempt, however, to ensure that all assumptions are sound and conservative.

The forecast of municipal revenues and expenditures incorporates the following assumptions:

Effective Date. The effective date of annexation is the day in which service responsibilities, revenues and costs would be transferred to the City. For illustrative purposes only, RSG has assumed the effective date of annexation would be July 1, 2009. Realistically, the effective date would be determined by more extensive CKH Act procedures but also the amount of public participation that is involved in the process. The effective date of annexation would ultimately depend on the successful processing of an annexation application, subject to a protest hearing, and a majority approval by the affected electorate if ordered by LAFCo.

Transition Period. A transition period is the time between the effective date of annexation and the time when a city must assume full service responsibility. A transition period can be anywhere from 3 to 12 months, depending on the services involved and a city's ability to implement its own services in the new area. For the purposes of this study to look at total annual costs upon full annexation, we have not taken into consideration a transition period during which time costs and services to the Study Area may be shared between the City and County.

Public Services Plan. If the Study Area is annexed, Rancho Cordova would assume primary responsibility for the following municipal services: law enforcement, planning, building, code enforcement, public works/engineering, and animal control. Other services would remain the responsibility of the existing service providers, including fire protection, flood control, and utility service.

Growth Projections. The Study Area has seen a minimal amount of development in the last several years. Although no significant projects are currently under construction, four projects totaling 42 hotel rooms, 1,465 residential units, and 94,000 square feet of retail space have begun the permitting process with the County. The timetable for completion is not yet known, as these projects are all in early stages of entitlements and the ongoing recession and incapacity of financial markets are expected to delay many new projects throughout the region and nation. Consequently, the County, City, and RSG have agreed that no new development would take place during the five year forecast.

Revenues and Expenditures. The data employed in this Report was collected between July and November 2008. Pertinent fiscal data was derived in part from the revenues and expenditures of Fiscal Years 2003-04, 2004-05, 2005-06, 2006-07, and 2007-08 as presented by County staff and/or stated in the County's Adopted Annual Budget. When possible, audited figures were used. City staff also provided existing costs for municipal services, inventories of certain facilities, and feedback on certain impacts associated with the potential annexation.

Potential City costs were generally derived from 2007-08 and 2008-09 budgeted figures and staff estimates, though others were projected based upon current County service levels when necessary. Assistance and additional information was provided by both County and City staff when precise identification of costs and revenues was not possible due to record keeping limitations. It is RSG's experience that such data limitations are not uncommon and within normal levels for this type of analysis. In instances where precise figures were not available, RSG employed the best available methodologies to extrapolate estimates.

Cost estimates are conceptualized as three components: staffing, services, and capital outlay (or equipment). In the event of significant maintenance, such as road overlays, the cost of the maintenance was amortized over the estimated life of the item.

It is important to note that County departments typically responded with cost estimates that included overhead expenditures for administrative costs (e.g. finance, County Executive's office), while the City provided a separate analysis for these costs. It is equally important to note that annexation will only result in a shift of local municipal services from the County to the City. The County would continue to provide many regional services such as flood control, criminal justice systems, and health and human services and thus will continue to have costs associated with the Study Area.

Projected costs and revenues are based on a variety of specific assumptions based on historical trends, the inflation rate, and other factors described herein. The inflation factor for all most annual increases is 2.9 percent unless otherwise stated, which was derived from the ten year historical averaged Consumer Price Index for all urban consumers in the western region.

It should be noted that certain revenues and expenditures generally analyzed in fiscal impact studies have not been included here as there is no residential population. For example, certain revenue streams are generally calculated on a per capita basis, such as state subventions for gas tax, and thus are not calculated here.

GENERAL FUND REVENUES

The County's General Fund pays for most municipal operational services, including general government, law enforcement, animal control, public works/engineering, and community development (e.g. planning, building and safety, and code enforcement). The funding sources for these services are taxes from property, sales, in-lieu sales, and property transfers; fees for services; fines and forfeitures; franchise fees; and utility user taxes.

This analysis of General Fund revenue has been categorized by revenue source.

PROPERTY TAXES

The County General Fund receives a portion of the ad valorem property taxes from the Study Area to pay for municipal and regional services. The County's share of the 2007-08 property taxes within the Study Area is approximately 37.7 percent of the general one percent property tax levy, according to County Auditor-Controller's office reports. However, actual revenues are significantly reduced due to contributions to the Educational Revenue Augmentation Fund ("ERAF"), resulting in an effective share of 17.9 percent according to the County Auditor's documented estimate for 2007-08.

Assuming the Study Area is not annexed, RSG has projected the County's share of the property taxes based upon a forecast of future assessed values assuming an annual 2.0 percent increase in secured assessed values. In effect, this assumes no new construction of any material nature, nor increases or decreases in assessed value due to resale activity or assessment appeals. As the area remains relatively built out, RSG does not anticipate a dramatic change in property values in the foreseeable future. Further, the projections have assumed no change in the unsecured roll due to their typically unpredictable nature and the fact they are not subject to Proposition 13.

Upon annexation, the City may receive a portion of the County's property tax share of the general (1 percent) tax levy for the annexed area, pending a negotiation of a property tax transfer between the parties pursuant to the CKH Act and the California Revenue and Taxation Code. The City and County may negotiate a split of this revenue, theoretically between 0 and 100 percent of the County's property tax share. Because this split is subject to future negotiations, RSG has not estimated the amount of any property taxes that could be collected by the City in this analysis.

Incidentally, if the City annexes the Study Area, the County Auditor-Controller's office would charge a property tax administrative fee equal to an estimated 1.2 percent of the gross property tax apportionment based on the 2007-08 rate. This fee is charged to most taxing entities, including the County itself.

PROPERTY TRANSFER TAXES

The County currently receives \$1.10 for every \$1,000 of property value transferred within the unincorporated area. If annexed, the revenue would be split equally between the County and the City, resulting in both entities collecting property transfer tax revenue of \$0.55 for every \$1,000 of property value transferred, typical of most incorporated communities.

The amount of property transfer tax received would depend upon the level of resale activity and property values. In recent years, the amount of property turnover in the Study Area has declined. In 2007-08, the aggregate volume of property turnover dropped to \$23.5 million, as compared to \$80.2 million in 2003-04. To present a conservative forecast that is sensitive to these recent trends, RSG has assumed an aggregate amount of property value turnover of \$22 million annually; this value is based upon 4.1 percent annual turnover of existing commercial and industrial properties. (Commercial and industrial properties in the City have approximately the same turnover rate based upon an historical analysis.) Value for public and exempt utility-owned land was not included in the turnover forecast.

SALES TAX AND IN-LIEU SALES TAX REVENUE (2004 TRIPLE FLIP REVENUE)

In 2007-08, the County received approximately \$6.1 million in sales tax, in-lieu sales tax revenue, and the supplemental pool allocated by the State. If annexed, the City would be eligible to receive 0.75 percent of the sales tax rate charged on taxable sales within the annexation boundaries. Taxable sales estimates were based on data received from County finance staff. Though it is expected that businesses will change during the forecast period, this Study looks to historical records for projecting into the future. For example, two large businesses have closed their operations within the last 18 months; however, a recreational vehicle ("RV")

dealership has also opened. Thus, sales tax revenue is projected to grow at an annual inflationary factor of 0.11 percent based on the five year historic average change.

On March 2, 2004, the state electorate approved Proposition 57 which in part mandates the exchange of one-quarter (0.25 percent) of the previous 1.00 percent sales tax revenues to local municipalities for an equal amount of property tax revenues. These additional property tax revenues are referred to as "in-lieu sales taxes" or "triple flip revenue", and took effect on July 1, 2004; they continue until the state deficit bailout bonds are paid off in approximately 10 years, after which time it is presumed that in-lieu sales taxes would revert back to local municipalities as sales tax revenue.

TRANSIENT OCCUPANCY TAXES

Transient occupancy taxes ("TOT") result from a fee charged upon hotel room stays. Both the City and the County have a 12 percent TOT rate. The Study Area contains 5 hotels with a total of 777 rooms according to RSG's research. For the past five fiscal years, RSG obtained actual TOT receipts from the County Office of Budget and Debt Management.

The financial projection is based on conservative estimates of room rates and occupancy rates for the market area, and yield projected TOT revenues that are similar to the actual receipts in recent years. According to RSG's research, average daily room rates currently range from \$60 to \$250. To be conservative, RSG has estimated a weighted average daily room rate of \$106, which is comparable with regional hotel room averages. At \$106 per overnight stay, and approximately a 50 percent occupancy rate, revenues are similar to the actual revenues received. It should be noted that a 50 percent occupancy rate is lower than the average rate in the greater Sacramento metropolitan area, which usually hovers in the 68 percent range.

To be conservative, RSG has projected no growth in TOT between 2007-08 and 2008-09. In subsequent years, the averaged daily room rate is projected to increase 1.15 percent annually based on historical increases, but occupancy rates are not projected to change.

MOTOR VEHICLE LICENSE FEES AND PROPERTY TAX IN-LIEU

The Motor Vehicle License Fee ("VLF") is essentially a tax on the ownership of a vehicle, and is collected by the State annually. VLF revenue is then allocated to cities and counties based upon a statutory formula. In 2004, during the State's budget crisis, about 90 percent of a city's VLF revenue was replaced with property tax revenue. Under current law, most of the VLF revenue allocated to cities and all of the revenue allocated to counties increases based on assessed value growth instead of population growth in a jurisdiction. Revenue is distributed as property tax in-lieu of VLF.

Based on the Annual State Controller Report, for each \$1 million in assessed value, the City receives \$748 in property tax in-lieu revenue and the County receives \$1,057. This projection essentially credits the Study Area with that respective value, though other county-wide or city-wide factors play a role in determining the amount of in-lieu revenue the City receives. For example, if the Study Area is annexed, but the assessed value of the City as a whole were to decrease due to significant reassessments resulting in a net decrease of property values, the City would not see an increase in the in-lieu subvention, but would realize less of a loss than if the Study Area was not annexed. It should be noted that during the year an annexation occurs, the added value is not factored into the distribution of revenues, only increases in assessed value following annexation.

UTILITY USER'S TAX

Both the County and City levy identical utility user's taxes, since the City adopted the County's utility tax ordinance. The tax of 2.5 percent is charged on electric power, gas, land line telephone, cable, and sewer utilities within their jurisdiction. Consequently, ratepayers would see no change in the amount of utility user's

taxes as a result of annexation, and the amount of the taxes collected would be identical between the jurisdictions.

Actual utility user's taxes were not available for the Study Area, nor by any other metric which RSG could extrapolate the taxes collected historically. Consequently, RSG estimated the County and City utility user's taxes based on estimates of commercial utility costs provided by the Institute for Real Estate Management, which publishes a survey of regional utility costs on a square foot basis annually, as well as other known expenditures as identified by tenants.

FRANCHISE FEES

The County currently receives franchise fees from electric power, gas, and water providers based on the terms and conditions of each franchise agreement. The County rate is currently 2 percent of the billed amount. Actual franchise fees were not available, and were estimated by RSG by estimating the per square foot costs of these utilities as described above, multiplied by the County's 2 percent franchise fee rate.

Both the County and City are members of the Sacramento Metropolitan Cable Television Commission, which pays franchise fees to its member jurisdictions based on population according to County Government Code Section 5.50.112. As there is no population within the Study Area, there will be no net benefit or loss to either the City or the County if the Study Area is annexed.

If annexed, the City would receive the franchise fees from water, electric power, gas (2 percent of billed amount), and solid waste haulers (8 percent of billed amount).

COMMUNITY DEVELOPMENT FEES

Community Development fees include planning and building fees for development and other permits. Presently, both the City and County charge fees for many of their planning and building inspection services. Per Assembly Bill 1600, a public agency cannot charge fees which exceed the cost of the service rendered. Specific community development fees are described below:

Planning Fees. These fees are generated through the current and advanced planning processes, which include applicant requested zoning code and general plan amendments, and other regulatory processes, such as plan check applications. The County and City charge fees based upon a set application fee per specific types of services. The City typically requires these fees up front in the form of a deposit. RSG reviewed common planning fees and found the City and County fee structures to be generally comparable, with neither being consistently more or less expensive than the other.

There are four discretionary permits currently being processed by the County including the development of two high-rise residential towers, a 12.5 acre mixed use development, a small hotel, and a use permit for office uses. Revenue received to date for these projects totals \$67,600. However, both the County and the City agree it is unlikely these projects will be developed in the forecast period given the current real estate economy and lack of available development financing sources.

Building Fees. These fees are generated through the plan check and building permit functions. As with Planning Fees, cities may not levy fees that exceed related service costs.

Engineering Fees. These fees are generated through such services as plan check, inspecting private project construction in the public rights of way, tentative map review and processing, performing grading inspections, and issuing encroachment permits.

The County's 2007-08 budget generally shows the Planning and Community Development Department to recover about 72 percent of costs for application processing and plan check, and even less for other services. Based on the County Budget, the Community Development Department as a whole receives only 5 percent of its funding from charges for service on average. The County's Building and Safety expenditures are 100 percent cost recovered according to County staff.

**COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA**

Upon annexation, the City's Community Development fees would be charged to Study Area builders and developers in the place of the County's current fee program. According to City staff, the City's current fee schedule generally produces a 95 to 100 percent cost recovery for community development services.

BUSINESS LICENSE FEES

The County and City both collect license fees from businesses within their respective jurisdiction on an annual basis. In both cases, revenue received is based on the number and type of businesses and thus may vary from year to year based on a variety of factors. Additionally, the County and City have reported that each may revise their respective licenses fee structure. Fees collected are regulatory in nature and are not based on sales or profits realized by the businesses subject to the fee. Revenues received are used to offset a portion of departmental costs. For example, of the revenues the County currently collects, approximately 58 percent is used to offset finance department costs, 41 percent to offset community development costs, and 1 percent for County Counsel.

Currently, a general business license in the County is an average of \$50 per year, while in the City it is \$45 per year. Some businesses require specialized licenses which are more expensive, however, to be conservative, RSG has projected all businesses in the Study Area are eligible for a general license. According to County staff, the Study Area currently has 517 businesses. Thus, in 2009-10, if the Study Area is not annexed the County is projected to receive \$25,850, while the City, if the Study Area is annexed, would receive \$23,265. This value was held constant throughout the projections due to the many factors that influence these revenues.

ANIMAL LICENSE FEES

The County currently provides animal care services to the Study Area. As there are not current residents, no animal license fees are generated by the Study Area.

FINES AND FORFEITURES

Revenue from fines and forfeitures are based upon data provided by the Sheriff's Department, who is responsible for local non-traffic law enforcement in the Study Area. The California Highway Patrol provides response to traffic violations in the Study Area and does not apportion these fines with the County. Historical data was available for the past three fiscal years. In the last two fiscal years, revenues were approximately the same, about \$44,000 net of fees charged by the court system. Future projections for both the City and the County are based on the 2007-08 actual revenues received. These revenues were held constant over time, as fines are not reevaluated on a regular basis.

If annexation occurs, the City is likely to see more revenues from fines as traffic tickets and other traffic fines would be collected by the City when it takes over this service from the California Highway Patrol. RSG could not get an estimate of such revenues for the Study Area; in order to present a conservative forecast, we have deliberately not speculated on the amount of such additional fines.

STORMWATER

The County's Environmental Management Department conducts countywide stormwater pollution compliance inspections to be at all retail gasoline stations, automotive body shops, automotive repair facilities, equipment rental yards, nurseries, kennels, automotive dealers, restaurants, and general industrial facilities. An annual fee is assessed for this service. Fees are based on the type of business conducted at the site and range from \$138 to \$309 per year. There is also a charge associated with any re-inspections that are necessary. The County has provided fee revenues from the Study Area, which range from the lowest level of \$214,500 in

2004-05 to the highest level of \$277,700 in 2006-07. Future costs to the County are based upon the most recent 2007-08 revenues of \$271,600 and inflated annually by 0.8 percent, the five year historical average, though actual revenues will be based upon the number and type of businesses in the Study Area, which may change from year to year.

CSA 1 STREETLIGHTING

The Study Area has one County Service Area 1 (CSA 1), which provides funding for street lighting. The Study Area is currently within CSA 1 Zone 1 - unincorporated, but if annexed, it would become part of CSA 1 Zone 2 - Rancho Cordova. CSA 1 currently receives revenues through a parcel tax levied at the same rates as the County. The tax is levied on commercial properties based on the amount of street frontage of each parcel in the district. Though the Zone would change, the CSA would continue to operate, collecting funds for street lighting in the same manner. Operation and maintenance of the lights is performed by the County, and the County would collect the CSA 1 parcel tax for such services. In 2007-08, revenues were \$14,100. Revenues were projected to remain stable in both forecasts as the tax rate remains stable. Though the County will continue to receive these revenues to fund operations and maintenance if annexation proceeds, the revenues were still shown in the City projection to offset the costs associated with the streetlights.

GENERAL FUND EXPENDITURES

General Fund revenue is required to cover the costs of the following operational functions:

- General Government (Elected officials, administration, attorneys, and non-departmental costs)
- Community Development
- Public Works
- Law Enforcement
- Animal Care Services
- Code Compliance

The following analysis of the General Fund expenditures has been categorized by function within the framework of this organizational structure.

GENERAL GOVERNMENT

General government costs include costs associated with the legislation and administration of municipal services. The cost of these services can be provided by directly accounting for these costs, or applying a factor on direct municipal services to account for general government costs. Neither approach is more correct than another, it is a matter of understanding how the costs are provided and reported.

The County took the approach of providing for general government costs as a part of departmental costs, so no specific costs for general government were projected in our analysis. We note this is common in fiscal studies comparing the cost of services between a county and a city.

On the other hand, the City's data response typically segregated its costs for general government, so RSG projected general government department costs for the annexation scenario based on this data. In general, little impact upon general government services is anticipated as a result of annexation as most departments will be able to support the additional functions with existing staff and supplies. As detailed later in this Report, additional expenditures will be associated with the planning department, building and safety department, public works, stormwater services, and law enforcement. However, as law enforcement, public works, and planning services are contract based, no additional general government costs are expected to be incurred. In the case of building and safety and certain stormwater expenditures, an overhead rate of 1.8 percent was

charged upon all anticipated expenditures, equal to the current overhead rate attributable to administrative support and human resources in the general government category.

COMMUNITY DEVELOPMENT

Planning. The County Planning Department provided expenditure estimates based upon budget figures for the last five years, recommending that the costs for the Study Area be equal to the 1 percent share of the total geographic area of the County's unincorporated jurisdiction. Effectively, the County Planning Department suggested that applying the 1 percent factor to the entire Department's budget (which includes some planning functions clearly not within the Study Area) would yield a reasonably close estimate to the actual costs for planning services to the Study Area.

While specific cost accounting would provide the most accurate estimates for planning services, the unavailability of these figures should be dealt with a more discrete methodology for extrapolating these costs in the Study Area. Consequently, RSG refined the County Planning Department's 1 percent methodology, by removing any net costs associated with activities that targeted specific geographic areas outside of the Study Area, resulting in a slightly lower amount of planning costs for the Study Area, as it is reasonable to assume that special planning activities would result in higher planning costs in those areas only, not the entire County itself. However, costs for the General Plan and Housing Element remained in the projection, though these are typically considered one-time costs and not recurring expenditures.

Historical costs were thus based upon 1 percent of the countywide planning expenditures applicable to the Study Area, net of revenues. Future expenditures were based upon the 1 percent of the budgeted net expenditures in 2008-09 and inflated annually by 2.9 percent. In 2009-10, net costs are projected to be \$39,200.

For determining the City's cost for planning services, RSG took several factors into consideration, including the County's estimated costs of planning services in the area, the cost of cyclical long-term planning (e.g. the Housing Element and General Plan update), and economic trends that suggest that the City may see limited interest in development of the Study Area in the near future.

Just as the County's actual planning costs in the Study Area were not specifically identifiable, it is difficult to isolate what impact the City may see if the Study Area is annexed. RSG reviewed the County 2007-08 and 2008-09 budgets and isolated expenditures for the public counter, application processing, and plan check programs. One percent of these expenditures ranged from \$49,944 to \$48,758 respectively. However, discussions with the City's Planning Director indicate this value is likely to be high as no new projects are anticipated in the forecast period.

To maintain a balanced comparison with the County which preferred that cyclical planning costs be accounted for in this forecast, costs for the City's General Plan updates and Housing Element updates were also considered in the projection. RSG assumed a small amount of development activity in the Study Area, as well as some coordination efforts that may be required for the Folsom South Canal and implementation of the Folsom Boulevard Specific Plan. The estimated result was approximately \$20,000 in annual cost to the City for recurring planning expenditures plus \$75,000 annually for four years to cover the expense associated with the General Plan and Housing Element. Based on current operational standards, 95 percent of the \$20,000 annual expenditure is assumed to be recovered through fees.

Unless the Study Area experiences unexpected development activity, City Planning Department staff believes that given the current economy, even this estimate may be high. Consequently, the City cost projection models the \$20,000 expenditure based on an hourly rate of a contract Associate Planner, which equates to approximately 4 hours of additional work per week associated with the Study Area. This recurring cost was inflated annually by 2.9 percent, though actual costs would be dependent on changes in contractual rates with the subject planning consultant firm and modifications to the planning fee schedule to maintain a 95 percent cost recovery rate. The \$75,000 annual cost for the General Plan updates and Housing Element updates was not inflated, but assumed to be a flat \$300,000 for all work, spread over a four year period.

Building and Safety. According to the Department of County Engineering, the Study Area has historically generated enough work for 1 to 2 Senior Building Inspectors, depending on the year's activities. The County provided a detailed analysis of annual permit applications and fees received from the Study Area, ranging from its highest point of \$306,085 (in fiscal year 2004-05) to the lowest point of \$111,960 (in fiscal year 2006-07) for typical building and safety work, with additional annual costs for development and surveyor review ranging from the highest level of \$22,600 (2005-06) to the lowest level of \$2,000 (2007-08). The County reports the department generally has 100 percent cost recovery, however, a five year historical analysis shows a median 98 percent cost recovery rate.

Future costs to the County are based upon the fully-loaded cost (salary and benefits) of 1.5 Senior Building Inspectors, with a 98 percent cost recovery rate. Costs are projected to increase by 2.9 percent annually.

If annexed, permit activity is projected to remain consistent with RSG's projections for the County based on the most recent 2007-08 levels; therefore City costs are projected based upon 1.5 Building Inspector II positions at a level C salary step. Costs are inflated annually by 2.9 percent, comparable with salary schedule increases. Based on information from City staff, Building and Safety expenditures are 100 percent cost recovered, thus no net departmental expenditure is expected.

CODE ENFORCEMENT

Code enforcement programs are either reactive (responding to complaints) or proactive (seeking out possible violations in the field). The County Planning and Community Development staff reports that code enforcement is roughly 98 percent reactive. According to the County annual budget, code enforcement program activities in the Study Area target vehicle abatement, volunteer coordination, and zoning code enforcement. County staff also estimates that there are about 12 citations in the Study Area per year.

Similar to planning expenditures, the County computed estimates of Study Area code enforcement expenditures based upon 1 percent of total net expenditures. However, RSG believes expenditures are less due to the limited number of citations estimated by the County. According to County Code Enforcement staff, the 13 code enforcement officers have issued 12,255 citations in 2008. Even assuming no new citations are issued in 2008, the Study Area makes up only 0.1 percent of code enforcement activities. Thus future expenditures were based upon 0.1 percent of the 2008-09 budgeted expenditures for applicable programs (zoning code enforcement, vehicle abatement, and illegal dumping) for a total cost of \$2,803. County Planning and Community Development staff estimates that between \$1,000 and \$1,500 of fees are collected annually. RSG estimated \$1,250 in fees per year. Projections were inflated by 2.8 percent annually.

As compared to the County, the City's code enforcement program is more proactive and therefore Study Area code enforcement activities could be greater than what is currently occurring. Overall, City staff estimates that they are approximately 52 percent proactive in all code enforcement activities; although most code enforcement activities occur in residential areas and not commercial areas like the Study Area. Only about 5 percent of all City code enforcement citations in 2007-08 were issued to commercial properties, equal to about 38 commercial citations in total throughout the entire City. According to the City's General Plan, there are about 2,262 acres of commercial land uses in Rancho Cordova. The Study Area, at 748 acres, is approximately one third of this amount. Thus, based on the current level of citation issued to the Study Area, the limited number of citations issued to commercial land uses in the City, and the visual assessment conducted by RSG, it is believed the Study Area will continue to warrant only a limited amount of code enforcement service.

Based on the City's 2007-08 annual budget, 5 percent of the Division's total expenditures is \$28,570, or \$752 per commercial citation. RSG estimates the City will issue approximately 1 citations in the Study Area per month. Costs are based on the 2007-08 per citation cost of \$752 and inflated by 2.9 percent annually. The City's cost recovery rate through fees collected is approximately 15.8 percent currently, though as the City has recently contracted with a firm to improve recovery rates for citation issues, this may improve in time. Cost for service by the City is higher than that of the County despite the same number of citations, as the

department is more proactive and therefore spending more time patrolling and/or interacting with the community, providing a higher level of service.

STORMWATER

The stormwater program provides for the operations and maintenance of the storm drain system including pipes, inlets, manholes, and other drainage channels as well as for capital projects when the budget allows. The County currently provides for this service on a countywide basis, through funding provided by a fee schedule as described earlier. The County Department of Water Resources provided cost estimates for the Study Area based upon the comparative size of the area (1 percent of the total service area). Costs include administration, maintenance engineering, capital design, water quality management, and floodplain management. Ongoing forecasted costs to the County are based upon the most recent 2007-08 expenditures of \$267,400 and increased by 3.1 percent annually (the five year historical average).

When Rancho Cordova incorporated, it was agreed that the County would continue to collect the stormwater fee and provide stormwater utility services. Revenues collected by the County are held, budgeted, and expended as necessary. Funding is provided for operations, maintenance, and capital projects out of the fee revenue. However, residents in Rancho Cordova desire a higher level of service than the County provides and the City annually appropriates more money to fund additional work, particularly to clean retention/detention basins and other debris. The County agreed to budget an additional amount of funding for these additional expenditures, about \$300,000 per year. The City uses this money on additional labor and supplies costs.

The Study Area does contain drainage basins that the City would need to provide additional maintenance for in order to meet the higher standard of service required by the residents. As historical revenues from the Study Area do not consistently cover the historical estimated expenditures, this analysis assumes the additional maintenance cost must be born by the City.

Based on an inventory of pipes, inlets, and manholes, annexation would result in an increase of 8 percent in the City's total storm drain facilities. The forecast for additional maintenance expenditures is based upon 8 percent of \$300,000, or \$24,000 per year, and inflated annually by 2.9 percent. It should be noted that all other ongoing maintenance costs for the City are assumed to be a "wash" as they are a part of the countywide program, thus no other revenues or expenditures are forecast for the City.

ANIMAL CONTROL

As there are no residents in the Study Area, animal control concerns are expected to be limited to wildlife and strays, occasionally requiring animal care services. The County's Animal Care Department has responded to only 12 calls for service in the last three years, or an average of 4 calls per year. County staff reports that so few calls for service has a negligible impact upon staffing or expenditures, and thus no costs are recounted or projected for animal care.

The City provides animal services through the Neighborhood Services Department. City staff estimates that the typical animal services call requires approximately 15 to 30 minutes of staff time to respond to. Based on the current number of calls for service, annexation would result in up to 2 hours per year of staff time. Thus, annexation is not expected to have an impact on the number of calls for service, expenditures are expected to remain negligible, and therefore no costs are projected in the financial forecast for either the City or the County.

CSA 1 STREETLIGHTING

The Study Area currently has 218 street lights. Some funding for operation and maintenance of the street lights comes from CSA 1 as described previously, however, the costs exceed the revenue provided through

the CSA so supplemental funding must be provided. The County currently spends \$115 per light in total. About \$65 per light is available through the CSA 1 funds. However, the County provides additional funding to supplement the CSA. According to the City's Public Works Department, total expenditures are likely to be equivalent to the County as they provide the service. The City does provide backfill funding to the CSA revenue for existing service. Thus, additional City expenditures are based upon projected County expenditures on a per light basis of \$50 per light. Costs are inflated annually by 2.9 percent for both the County and the City. Please note that historical street lighting costs were not provided, so current costs were assumed for all previous years.

LAW ENFORCEMENT

The County Sheriff currently provides service to the proposed Study Area, with the exception of traffic services which are performed by the California Highway Patrol. Should the Study Area be annexed, the Sheriff (under contract with the City) would provide all law enforcement services, including traffic. Generally speaking, service levels are expected to remain the same with the exception of traffic services, which are likely to increase. Low funding, passive patrolling of areas off highways, and staffing levels for the California Highway Patrol have resulted in minimal traffic enforcement in the Study Area; and these levels would be expected to increase if the annexation proceeds.

The County Sheriff provided a detailed summary of estimated expenditures in the Study Area based on calls for service. Over the last four fiscal years (2004-05 through 2007-08), calls for service have remained stable, ranging from 1,119 to 1,193 calls per year. Each year, burglary and burglary alarm calls are the predominate types of calls for service, accounting for about 60 percent of all calls.

Calls in the Study Area are currently handled by the East Division of the Sheriff's Department, which operates out of the same station house as the Rancho Cordova Police Department. Calls for service are handled by deputies assigned to patrol zone 71, most of which is located to the southwest of Rancho Cordova, often requiring deputies to drive through the city in order to reach the Study Area. In 2007-08, the average deputy in the East Division responded to 428 calls for service. In Rancho Cordova, the average response load is 456 calls per deputy. As levels of service are comparable between the two jurisdictions according to the Sheriff's Department, the difference in response loads is likely a result of the County deputies having to travel further distances to reach points of service.

At the current level of 456 calls per deputy in the city, the time equivalent of 2.5 officers would be required to maintain existing calls for service response rates. This is slightly lower than the County's current time equivalent of 2.7 officers. However, the nature of the contract between the City and the Sheriff's Department is such that the City will need to engage deputy staff on a full time basis, resulting in 3 additional deputies to maintain a similar workload average. Furthermore, the City will also need to provide traffic enforcement in the Study Area. It is unclear how much traffic enforcement will be necessary as the California Highway Patrol does not have available data for the Study Area. City law enforcement staff estimates traffic patrol could potentially require more than the time equivalent of 0.5 deputies, but it is possible that patrol zones and resources may be revised to ensure appropriate coverage.

Based on the existing contract between the City and the Sheriff, law enforcement expenditures are passed on directly to the City without surcharges or other additional costs. Thus, the cost to service the area will not change materially. Slightly higher costs are projected for the City if the Study Area is annexed are based upon the addition of a full three deputies instead of the roughly 2.7 equivalent deputies¹ that are currently required to serve the Study Area.

¹ Historically, the County equivalent deputy average is 3 from 2005-06 to 2007-08. The 2007-08 value is 2.7. A variety of factors influence work loads, including distance to point of service and the time required by each call for service. The seniority level (pay grade) of deputies currently serving the Study Area, as well as those that may be selected to serve the Study Area if annexed, will also influence service costs.

Costs were analyzed in four separate categories: salaries and benefits, services and supplies, supplemental security services (crime scene investigation, property warehouse, communications bureau, etc.), and miscellaneous charges. Salaries and benefits have increased by 5 percent over the last two years, and are expected to continue to increase at that rate by the Sheriff's Department. The Sheriff's Department also believes supplies and services will increase at about the same rate, though historically the average rate has been lower, so this projection assumes a growth rate of 2.9 percent, the consumer price index. Supplemental security services and miscellaneous charges have remained stable, so values are held constant. County costs are projected based upon existing expenditures. With the exception of salaries and benefits, which were based on a mid-step deputy's salary and benefits package for three deputies, other potential City expenses were projected based upon expected County expenditures. In 2009-10, County costs are projected to be \$488,200, while those for the City if annexation occurs are projected at \$497,500.

Due to the developed, commercial nature of the study area and the lack of projected growth during the forecast time horizon, calls for service are expected to remain stable. Increases in cost are, however, likely to stem from increases in labor costs. Based on the current agreement for law enforcement services between the City and the Sacramento Sheriff's Department, all costs shall be directly passed on to the City, therefore increases in labor and equipment costs shall be the same for both the City and the County. According to the County Sheriff's staff, costs for both personnel and equipment are projected to increase annually by 5 percent, which is reflected in the fiscal projections for both the City and the County.

FIRE PROTECTION

Fire protection is provided through the Sacramento Metropolitan Fire District, which is funded primarily through a share of the 1 percent general property tax levy. No change in service will occur if the Study Area is annexed, therefore no costs are projected for either the County or the City.

PROJECTED IMPACT ON ROAD FUND

REVENUES

Gas tax revenues are apportioned according to the Streets and Highways Code, per section 2105, 2106, 2107, and 2107.5. Disbursement equations generally consider population, registered vehicles, and road miles to determine revenues received by the local jurisdiction. However, as no residents currently reside in the Study Area, and the number of road miles is minimal (and only considered in part by the allocation of funds through 2105), no gas tax revenues or highway user subventions are anticipated.

The County and the City also receive funding for roads through Measure A, a half-cent sales tax that is collected and allocated by the Sacramento Transportation Authority. About 62 percent of revenues are dedicated to identified capital improvement projects. Funding of this sort is provided directly to the jurisdiction in which the project is to be completed, and that jurisdiction must deliver the project. About 38 percent of revenues are allocated to the County and the cities in Sacramento County based upon their relative shares of total population and total road miles (weighted 75 percent and 25 percent respectively). RSG contacted the Sacramento Transportation Authority, and based upon the lack of population and the minimal amount of roads in the Study Area compared to the countywide amount, the allocation of Measure A funds is not expected to be material.

EXPENDITURES

Road expenditures can be funded through a jurisdiction's Road Fund according to the California Street and Highways Code Section 2101. Funds may be expended upon research, planning, construction, improvement,

maintenance, and operation of public streets and highways. Costs considered in this Study include road maintenance, traffic signals, street lights, and street sweeping.

Road Maintenance. The Study Area contains a mix of roads that are entirely funded by the County currently, as well as others that are shared by the County and the City. In total, 8.8 miles (or 2,483,837 square feet) of road would become the responsibility of the City if the Study Area were annexed.

Road maintenance in the County is subject to severe budget constraints. Large scale maintenance such as slurry seals and overlays are cost intensive and therefore often deferred as long as possible. Typically, depending on weather conditions and amount of travel, roads require a slurry seal every 10 to 15 years and an overlay every 20 to 30 years. However, County staff reports that slurry seals are often performed every 20 to 25 years and overlays up to 40 years apart. In some cases, a slurry seal is never done and the road eventually requires an overlay in order to function.

Study Area road maintenance costs were extrapolated by the County based on the ratio of maintained road miles of the Study Area to the total Countywide. The Study Area road mileage accounts for 0.4 percent of the total road miles maintained by the County, thus costs were projected to equal 0.4 percent of all expenditures. Historic expenditures range from \$147,500 in 2003-04 to \$175,000 in 2007-08, and reflect an average annual cost increase of 4.3 percent. Future road maintenance costs were based upon 2007-08 estimated expenditures and assumed to continue to escalate by 4.3 percent annually.

The City currently provides a higher standard of service for roads, providing slurry seal every 10 years and overlay every 35 years with additional maintenance as necessary. Costs were projected using the current cost for these services according to City staff, which are \$0.45 per square foot for slurry seal and \$3.25 per square foot for overlay. The cost for these services is projected as an annualized set aside, thus spreading the cost to each year to account for the cyclical nature of the procedures and the various conditions of the roads and inflated annually by 2.9 percent.

Traffic Signals. The County currently maintains six traffic signals alone and six traffic signals that are shared with the City. If annexation proceeds, the City will be responsible for five new signals, take over full responsibility for six signals currently shared, and take over responsibility for one half of one other signal as shown in Exhibit 2 below.

Traffic Signals			Exhibit 2	
Intersection	Current		Post Annexation	
	County Maintained	City Maintained	County Maintained	City Maintained
Folsom Blvd & East of Sunrise Blvd /1	All	None	None	All
Folsom Blvd & Mercantile Dr	All	None	None	All
Folsom Blvd & Marketplace Dr	All	None	None	All
Folsom Blvd & Mineshaft Dr	All	None	None	All
Folsom Blvd & West of Hazel Ave /2	All	None	None	All
Sunrise Blvd & White Rock Rd	Half	Half	None	All
Sunrise Blvd & Sunrise Park Dr	Half	Half	None	All
Sunrise Blvd & Sunrise Gold Dr	Half	Half	None	All
Sunrise Blvd & Trade Center Dr	Half	Half	None	All
Sunrise Blvd & Folsom Blvd	Half	Half	None	All
Sunrise Blvd & US 50 Offramp	Half	Half	None	All
Folsom Blvd & Hazel Ave	All	None	Half	Half

1/ Pedestrian signal, not full intersection

2/ Fire station, not full intersection

County costs for traffic signals are estimated at \$8,000 per year for maintenance, electricity, and overhead costs such as planning studies and \$9,800 per year for those signals on a coordinated system (seven of those currently maintained by the County). In 2008-09, this results in \$88,900 in expenditures. This value was inflated annually by 2.9 percent for the remainder of the forecast.

The City contracts with the County to maintain the traffic signals as well as many other public works related operations and maintenance for an annual contract of roughly \$1 million, and so identifying individual signal believes expenditures was challenging. The Public Works Department believes that operations and maintenance may be approximately \$6,500 per traffic signal, however, it is unclear if there is a discount the City is receiving for these costs, or if the County expenditures also include a variety of overhead costs. RSG is working to solve this indiscrepancy. However, for the purposes of this draft Report, the \$6,500 per full intersection traffic signal was applied. Forecasted costs for both the County and the City are based upon an annual inflationary factor of 2.9 percent.

Street Sweeping. Street sweeping costs have been loosely estimated by both the City and the County. The County estimates an average annual cost of \$55 per curb mile. Streets are swept an average of two times per year depending on the level of activity with major corridors being swept more often. The City estimates \$66 per commercial curb mile per year, with commercial streets being swept monthly. Costs are projected at an annual inflation rate of 2.9 percent.

SUMMARY

As presented in Appendix A, the financial projections illustrate that the Study Area is a significant net revenue source for the jurisdiction it is in absent of any agreements for revenue or cost sharing. If annexation does not proceed, the County can expect a cumulative net revenue of \$50.9 million in the General Fund and a net deficit of \$1.6 million in the Road Fund between 2009-10 and 2013-14. If annexation does proceed, the City could see a cumulative net revenue of \$38.5 million in the General Fund and a net deficit of \$3.3 million in the Road Fund during the same time period. Note that no property taxes were assumed for the City by this Study as the sharing factor must be negotiated by the City and County.

Net revenues are anticipated to be lower in the City if the Study Area is annexed as some revenues will be shared with the County and additionally, the Study Area will experience a higher level of service from law enforcement, code enforcement, stormwater maintenance, and road maintenance. With no regard to any potential agreements, the following are the primary differences in revenues and expenditures that may be expected.

Revenues

- **Property Tax.** Property tax is not calculated for the City, though traditionally an annexing city would expect to receive some share of the County's share of the general property tax levy.
- **Property Transfer Tax.** Though the rate of turnover is expected to be unaffected regardless of annexation, revenues from the tax will be split between the City and the County if annexation proceeds.
- **Motor Vehicle In Lieu.** The State's new accounting system for motor vehicle license fees results in a difference between County subventions and City subventions based upon each entity's baseline value when the system was put in place.
- **Franchise Fees.** The County and City levy different franchise fees on different providers, resulting in a difference in revenues.
- **Business License Fees.** Business license fees are slightly different between the two jurisdictions.

Expenditures

- **Building and Safety.** Compensation packages vary slightly between the City and the County, resulting in slightly different expenditures, though it should be noted these particular departments have very high cost recovery rates.
- **Planning.** Planning estimates for the County were estimated based upon the size of the geographic area and not direct costs. City estimates were projected based upon analysis of the County budget

**COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA**

and input from City staff. In an effort to compare apples to apples, one time costs for the General Plan and Housing Element were included in the projection. Neither projection is without its flaw, but the important item to note is that the City experiences a higher cost recovery rate for typical planning services than the County does and thus in the long term should see a smaller amount of net expenditures than the County.

- Code Compliance. The City maintains a higher level of service and thus has higher expenditures to account for proactive staff initiatives.
- Stormwater. Based on the structure of the stormwater program, the County will continue to incur revenues and expenditures regardless of annexation. The City will receive no stormwater revenues and expend only the additional maintenance costs required to maintain a higher level of service.
- Law Enforcement. Law enforcement costs are anticipated to be slightly higher if annexation proceeds due to the need to provide traffic enforcement services.
- General Government. The City is projected to see a minor increase in general government costs to account for the addition of some employees.
- Road Maintenance. The County's financial capabilities have limited the level of service provided for road maintenance. The level of service is expected to increase significantly if annexation proceeds.

**COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA
APPENDIX**

SACRAMENTO COUNTY RECURRING SERVICE REVENUES AND EXPENDITURES SUMMARY

EXHIBIT 1

	Historical County Annual Budget				Current	Annual County Operating Budget					
	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007	7/1/2008	7/1/2009	7/1/2010	7/1/2011	7/1/2012	7/1/2013
Revenues by Source											
Property Taxes	715,600	813,400	872,700	934,000	1,001,200	1,019,000	1,036,800	1,055,500	1,074,300	1,093,100	1,112,900
Property Transfer Taxes	88,300	56,300	24,000	41,800	25,800	24,500	24,500	24,500	24,500	24,500	24,500
All Sales Taxes	6,089,000	6,444,000	6,748,000	6,452,000	6,124,000	6,131,000	6,137,000	6,144,000	6,151,000	6,159,000	6,165,000
Transient Occupancy Taxes	1,703,500	1,730,900	1,781,100	1,836,200	1,806,500	1,803,700	1,824,500	1,845,500	1,866,700	1,888,100	1,909,900
MVLF in Lieu	-	-	35,800	36,700	39,700	10,500	10,800	11,000	11,200	11,400	11,600
Utility User Fees	215,100	215,100	215,100	215,100	215,100	215,100	215,100	215,100	215,100	215,100	215,100
Franchise Fees	171,100	171,100	171,100	171,100	171,100	171,100	171,100	171,100	171,100	171,100	171,100
Business License Fees	21,300	23,800	24,900	31,700	29,100	25,900	25,900	25,900	25,900	25,900	25,900
Fines and Forfeitures	N/A	N/A	55,900	43,500	44,100	44,100	44,100	44,100	44,100	44,100	44,100
Stormwater Fees	265,700	294,300	265,500	269,900	271,600	273,800	276,000	278,200	280,400	282,600	284,900
Street Lighting (CSA 1)	14,100	14,100	14,100	14,100	14,100	14,100	14,100	14,100	14,100	14,100	14,100
Total	9,269,600	9,748,900	10,194,100	10,032,000	9,728,200	9,718,700	9,765,800	9,814,900	9,864,300	9,914,900	9,965,000
Expenditures by Department											
Net Building and Safety	10,300	17,600	264,500	26,200	5,100	5,200	5,400	5,600	5,800	6,000	6,200
Net Planning Expenditures	-	5,200	26,200	26,700	47,100	38,100	39,200	40,300	41,500	42,700	43,900
Net Code Compliance	2,500	2,900	6,500	3,600	1,900	2,000	2,100	2,200	2,300	2,400	2,500
Stormwater	244,000	214,500	224,600	277,700	267,400	275,700	284,200	293,000	302,100	311,500	321,200
Street Lighting	25,100	25,100	25,100	25,100	25,100	25,800	26,500	27,300	28,100	28,900	29,800
Law Enforcement	197,300	307,700	365,000	411,400	449,500	468,400	488,200	508,900	530,600	553,300	577,200
Total	479,200	573,000	911,900	770,700	796,100	815,200	845,600	877,300	910,400	944,800	980,800
Annual Net Revenue / (Deficit)	8,790,400	9,175,900	9,282,200	9,261,300	8,932,100	8,903,500	8,920,200	8,937,600	8,953,900	8,970,100	8,984,200
2009-10 To 2013-14 Cumulative Balance (Deficit)							8,920,200	17,857,800	26,811,700	35,781,800	44,766,000

SACRAMENTO COUNTY ROAD FUND SUMMARY

No Revenues																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
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COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA
APPENDIX

RANCHO CORDOVA RECURRING SERVICE REVENUES AND EXPENDITURES SUMMARY

EXHIBIT 2

	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007	Current 7/1/2008	Transition 7/1/2009	Annual City Operating Budget			7/1/2013
								7/1/2010	7/1/2011	7/1/2012	
Revenues by Source											
Property Taxes							12,200	12,200	12,200	12,200	12,200
Property Transfer Taxes							6,137,000	6,144,000	6,151,000	6,159,000	6,165,000
All Sales Taxes							1,824,500	1,845,500	1,866,700	1,888,100	1,909,900
Transient Occupancy Taxes								7,800	7,900	8,100	8,200
MVLF In-Lieu											
Utility User Fees							215,100	215,100	215,100	215,100	215,100
Franchise Fees							183,900	183,900	183,900	183,900	183,900
Com Dev, Building & Code Compliance Fees							177,100	182,300	187,500	193,000	198,500
Business License Fees							23,300	23,300	23,300	23,300	23,300
Fines and Forfeitures							44,100	44,100	44,100	44,100	44,100
Total							8,617,200	8,658,200	8,691,700	8,726,800	8,760,200
Expenditures by Department											
Building and Safety								156,300	160,800	165,500	170,300
Community Development							95,300	95,900	96,500	97,100	22,700
Code Compliance							9,600	9,900	10,200	10,500	10,800
Stormwater							25,400	26,100	26,900	27,700	28,500
Law Enforcement							497,500	518,600	540,800	564,000	588,400
Administrative/HR Support							500	3,300	3,400	3,500	3,600
Total							628,300	810,100	838,600	868,300	824,300
Annual Net Revenue / (Deficit)							7,988,900	7,848,100	7,853,100	7,858,500	7,935,900
2009-10 To 2013-14 Cumulative Balance (Deficit)							7,988,900	15,837,000	23,690,100	31,548,600	39,484,500

RANCHO CORDOVA ROAD FUND SUMMARY

	7/1/2008	Annual City Road Fund Operating Budget			7/1/2012
		7/1/2009	7/1/2010	7/1/2011	
No Revenues					
Expenditures by Type					
Road Maintenance					
Traffic Signals	362,500	373,100	383,900	395,000	406,500
Street Lights	58,500	60,200	61,900	63,700	65,600
Street Sweeping	26,500	27,300	28,100	28,900	29,800
Total	1,100	1,200	1,200	1,200	1,300
Net Revenue / (Deficit)	448,600	461,800	475,100	488,800	503,200
2009-10 To 2013-14 Cumulative Balance (Deficit)	448,600	910,400	1,385,500	1,874,300	2,377,500





**COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA
APPENDIX**

SALES TAXES

EXHIBIT 5

Item Detail and Assumptions	Annual Operating Budget					Current	Annual Operating Budget					7/1/2013
	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007		7/1/2008	7/1/2009	7/1/2010	7/1/2011	7/1/2012	
Prior Year Taxable Sales Plus 0.1%						613,104,000	613,104,000	613,778,414	614,453,571	615,129,470	615,806,112	616,483,499
New Sales Outlets No Increase Included						-	-	-	-	-	-	-
Total Taxable Sales	608,934,700	644,369,400	674,766,300	645,246,800	612,430,200	613,104,000	613,778,414	614,453,571	615,129,470	615,806,112	616,483,499	
Sales Tax Revenue at 0.75%	\$ 4,567,000	\$ 4,833,000	\$ 5,061,000	\$ 4,839,000	\$ 4,593,000	\$ 4,598,000	\$ 4,603,000	\$ 4,608,000	\$ 4,613,000	\$ 4,619,000	\$ 4,624,000	
In-Lieu Property Tax at 0.25%	1,522,000	1,611,000	1,687,000	1,613,000	1,531,000	1,533,000	1,534,000	1,536,000	1,538,000	1,540,000	1,541,000	
Total Sales Taxes	6,089,000	6,444,000	6,748,000	6,452,000	6,124,000	6,131,000	6,137,000	6,144,000	6,151,000	6,159,000	6,165,000	

PROPERTY TRANSFER TAXES

EXHIBIT 6

Item Detail and Assumptions	Annual Operating Budget					Current	Annual Operating Budget					7/1/2013
	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007		7/1/2008	7/1/2009	7/1/2010	7/1/2011	7/1/2012	
Projected Turnover												
General Commercial Resale Volume (in 000's)						\$ 6,398	\$ 6,398	\$ 6,398	\$ 6,398	\$ 6,398	\$ 6,398	\$ 6,398
Total Assessed Value General Commercial						6,397,560	6,397,560	6,397,560	6,397,560	6,397,560	6,397,560	6,397,560
Turnover Rate	4.2%											
Total Commercial Value (200: \$154,157,733)						\$154,158,000	\$154,158,000	\$154,158,000	\$154,158,000	\$154,158,000	\$154,158,000	\$154,158,000
Appreciation Rate (2009)	0.0%											
Appreciation Rate (2010)	0.0%											
Appreciation Rate (Later Yrs)	0.0%											
Projected Turnover												
Industrial Resale Volume (in 000's)						\$ 15,840	\$ 15,840	\$ 15,840	\$ 15,840	\$ 15,840	\$ 15,840	\$ 15,840
Total Assessed Value Industrial						15,840,470	15,840,470	15,840,470	15,840,470	15,840,470	15,840,470	15,840,470
Turnover Rate	4.2%											
Median Resale Price (2008)	\$381,698,185					\$381,698,000	\$381,698,000	\$381,698,000	\$381,698,000	\$381,698,000	\$381,698,000	\$381,698,000
Appreciation Rate (2009)	0.0%											
Appreciation Rate (2010)	0.0%											
Appreciation Rate (Later Yrs)	0.0%											
Total Sales Volume Turnover						22,238	22,238	22,238	22,238	22,238	22,238	22,238
CITY Property Transfer Taxes (Projected)												
COUNTY Property Transfer Taxes	88,300	56,300	24,000	41,800	25,800	24,500	12,200	24,500	12,200	24,500	12,200	12,200
												24,500



COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA
APPENDIX

COUNTY MISCELLANEOUS REVENUES

EXHIBIT 7

Item Detail and Assumptions	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007	Current 7/1/2008	Annual Operating Budget				7/1/2013
							7/1/2009	7/1/2010	7/1/2011	7/1/2012	
Business Licenses											
Current Fee	\$ 21,300	\$ 23,800	\$ 24,900	\$ 31,700	\$ 29,100	\$ 25,900	25,900	25,900	25,900	25,900	25,900
Number of Businesses											
Growth Rate	0.0%										
CSA 1											
Base Year Revenue (07-08)	\$ 14,100	\$ 14,100	\$ 14,100	\$ 14,100	\$ 14,100	\$ 14,100	14,100	14,100	14,100	14,100	14,100
Growth Rate	0.0%										
Fines and Forfeitures											
Base Year Revenue (07-08)	\$ 73,579	\$ 73,579	\$ 73,579	\$ 73,579	\$ 73,579	\$ 73,579	73,579	73,579	73,579	73,579	73,579
% to County (Less Court Fees)	60%										
Growth Rate	0.0%										

CITY MISCELLANEOUS REVENUES

EXHIBIT 8

Item Detail and Assumptions	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007	Current 7/1/2008	Annual Operating Budget				7/1/2013
							7/1/2009	7/1/2010	7/1/2011	7/1/2012	
Business Licenses											
Base Year Revenue (08-09)	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	45	45	45	45	45
Number of Businesses											
Growth Rate	0.0%										
CSA 1											
Base Year Revenue (07-08)	\$ 14,100	\$ 14,100	\$ 14,100	\$ 14,100	\$ 14,100	\$ 14,100	14,100	14,100	14,100	14,100	14,100
Growth Rate	0.0%										
Fines and Forfeitures											
Base Year Revenue (07-08)	\$ 73,579	\$ 73,579	\$ 73,579	\$ 73,579	\$ 73,579	\$ 73,579	73,579	73,579	73,579	73,579	73,579
% to City (less Court Fees)	60%										
Growth Rate	0.0%										



COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA
APPENDIX

EXHIBIT 9

STORMWATER

Item Detail and Assumptions	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007	Current 7/1/2008	7/1/2009	7/1/2010	7/1/2011	7/1/2012	7/1/2013
CITY Department Expenditures											
Supplies & Services											
System Maintenance (07-08 base)							25,400	26,100	26,900	27,700	28,500
New Cost											
TOTAL EXPENDITURES							25,400	26,100	26,900	27,700	28,500
COUNTY Department Expenditures											
Annual Expenditures											
All Stormwater Services											
2008 Cost	244,000	214,500	224,600	277,700	267,400	\$ 275,700	\$ 284,200	\$ 293,000	\$ 302,100	\$ 311,500	\$ 321,200
Growth Rate	267,400										
	3.1%										
Annual Revenues											
All Stormwater Revenues											
2008 Revenues	265,700	294,300	265,500	269,900	271,600	273,800	276,000	278,200	280,400	282,600	284,900
Growth Rate	271,600										
	0.8%										
NET TOTAL EXPENDITURES						1,900	8,200	14,800	21,700	28,900	36,300

EXHIBIT 9



**COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA
APPENDIX**

COMMUNITY DEVELOPMENT & CODE COMPLIANCE									
EXHIBIT 10									
Item Detail and Assumptions	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007	Current 7/1/2008	7/1/2009	Annual Operating Budget 7/1/2010 7/1/2011	7/1/2012 7/1/2013
CITY COMMUNITY DEVELOPMENT EXPENDITURES									
Planning Department Expenditures									
Salaries & Benefits									
Contract Associate Planner									
2008 Hourly Cost Associate Planner	95								
Hours Per Year	208								
Growth Rate	2.9%								
Recovered Costs	95.0%								
Unrecovered Cost	2.9%								
Special Expenditures									
Housing Element Update and Advance Planning									
Annual Cost	75,000								
Growth Rate	0.0%								
NET TOTAL Planning									
Building and Safety									
Costs									
2008 Cost	147,615								
Growth Rate	2.9%								
Cost Recovery	100.0%								
NET TOTAL BUILDING AND SAFETY									
Code Compliance									
Cost Per Commercial Call (2007-08)	\$ 752								
Estimated Citations	12								
Growth Rate	2.9%								
Revenues Collected (Recovery Rate)	15.8%								
NET CODE COMPLIANCE COSTS									
COUNTY COMMUNITY DEVELOPMENT EXPENDITURES									
Planning									
Total Net Cost	\$ 38,100	\$ 5,200	\$ 26,200	\$ 26,700	\$ 47,100	\$ 38,100	\$ 39,200	\$ 40,300	\$ 41,500
2008 Cost									
Growth Rate	2.9%								
Building and Safety									
Costs									
2008 Cost	236,500	305,300	475,800	116,900	164,800	164,600	169,400	174,300	179,400
Growth Rate									
Revenues									
Typical Cost Recovery	231,700	306,100	233,900	112,000	161,500	161,300	166,000	170,800	175,800
LDSIR (Dev. & Surveyor Review)	5,500	18,400	22,600	21,300	1,800	1,900	2,000	2,100	2,200
NET Building and Safety Costs	10,300	17,600	264,500	26,200	5,100	5,200	5,400	5,600	5,800
Code Compliance									
Total Net Cost	2,500	2,900	6,500	3,600	1,900	2,000	2,100	2,200	2,300
Growth Rate	2.9%								



COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA
APPENDIX

LAW ENFORCEMENT

Item Detail and Assumptions	Annual Operating Budget						Current	EXHIBIT 11	
	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007	7/1/2008		7/1/2012	7/1/2013
CITY Department Expenditures									
Salaries & Benefits									
Deputy Sheriff									
2008 Salary									
Benefit&Overhead/Salary Ratio									
Growth Rate									
Services and Supplies									
Base Year Estimate									
Growth Rate									
Support Security Services (Net of Credits) /1									
Base Year Estimate									
Growth Rate									
Miscellaneous									
Base Year Estimate									
Growth Rate									
TOTAL									
COUNTY Department Expenditures									
Salaries and Benefits									
Growth Rate									
Services and Supplies									
Growth Rate									
Support Security Services (Net of Credits)									
Growth Rate									
Miscellaneous									
Growth Rate									
TOTAL									

Note that Traffic Enforcement is not included in County expenditures



COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA
APPENDIX

CITY FRANCHISE FEES AND UTILITY USER TAXES

EXHIBIT 12

Item Detail and Assumptions											
CITY											
	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007	Current 7/1/2008	7/1/2009	7/1/2010	7/1/2011	7/1/2012	7/1/2013
Franchise Fees											
Solid Waste (Commercial)											
Base Year Usage	\$ 160,023						12,800	12,800	12,800	12,800	12,800
Rate	8%										
Growth Rate	0.0%										
Gas											
Base Year Usage	\$ 693,432						13,900	13,900	13,900	13,900	13,900
Rate	2%										
Growth Rate	0.0%										
Energy											
Base Year Usage	\$7,466,008						149,300	149,300	149,300	149,300	149,300
Rate	2%										
Growth Rate	0.0%										
Water											
Base Year Usage	\$ 392,699						7,900	7,900	7,900	7,900	7,900
Rate	2%										
Growth Rate	0.0%										
Total Franchise Fees							183,900	183,900	183,900	183,900	183,900
Utility User Fees											
Energy											
Base Year Usage	\$7,466,008						186,700	186,700	186,700	186,700	186,700
Rate	2.50%										
Growth Rate	0.0%										
Gas											
Base Year Usage	\$ 693,432						17,300	17,300	17,300	17,300	17,300
Rate	2.50%										
Growth Rate	0.0%										
Telephone											
Base Year Usage	\$ -						-	-	-	-	-
Rate	2.50%										
Growth Rate	0.0%										
Cable											
Base Year Usage	\$ 53,341						1,300	1,300	1,300	1,300	1,300
Rate	2.50%										
Growth Rate	0.0%										
Sewer											
Base Year Usage	\$ 392,699						9,800	9,800	9,800	9,800	9,800
Rate	2.50%										
Growth Rate	0.0%										
Total UUT							215,100	215,100	215,100	215,100	215,100



COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA
APPENDIX

COUNTY FRANCHISE FEES AND UTILITY USER TAXES

EXHIBIT 13

Item Detail and Assumptions	7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007	Current 7/1/2008	7/1/2009	7/1/2010	7/1/2011	7/1/2012	7/1/2013
COUNTY											
Franchise Fees											
Energy											
Base Year Usage	149,300	149,300	149,300	149,300	149,300	149,300	149,300	149,300	149,300	149,300	149,300
Rate	\$ 7,466,008										
Growth Rate	2%										
	0.0%										
Gas											
Base Year Usage	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900
Rate	\$ 693,432										
Growth Rate	2%										
	0.0%										
Water											
Base Year Usage	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900
Rate	\$ 392,699										
Growth Rate	2%										
	0.0%										
Total Franchise Fees County	171,100	171,100	171,100	171,100	171,100	171,100	171,100	171,100	171,100	171,100	171,100
Utility User Fees											
Energy											
Base Year Usage	186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700
Rate	\$ 7,466,008										
Growth Rate	2.50%										
	0.0%										
Gas											
Base Year Usage	17,300	17,300	17,300	17,300	17,300	17,300	17,300	17,300	17,300	17,300	17,300
Rate	\$ 693,432										
Growth Rate	2.50%										
	0.0%										
Telephone											
Base Year Usage	-	-	-	-	-	-	-	-	-	-	-
Rate	\$ -										
Growth Rate	2.50%										
	0.0%										
Cable											
Base Year Usage	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Rate	\$ 53,341										
Growth Rate	2.50%										
	0.0%										
Sewer											
Base Year Usage	9,800	9,800	9,800	9,800	9,800	9,800	9,800	9,800	9,800	9,800	9,800
Rate	\$ 392,699										
Growth Rate	2.50%										
	0.0%										
Total UUT COUNTY	215,100	215,100	215,100	215,100	215,100	215,100	215,100	215,100	215,100	215,100	215,100



**COUNTY OF SACRAMENTO
& CITY OF RANCHO CORDOVA
APPENDIX**

EXHIBIT 14

ROAD MAINTENANCE		7/1/2003	7/1/2004	7/1/2005	7/1/2006	7/1/2007	Current 7/1/2008	7/1/2009	Annual Operating Budget 7/1/2010	7/1/2011	7/1/2012	7/1/2013
Item Detail and Assumptions												
CITY Department Expenditures												
Supplies & Services												
Street Light Maintenance & Operation												
Street Lights	218							26,500	27,300	28,100	28,900	29,800
2008 Cost	115											
Growth Rate	2.9%											
Traffic Signal Maintenance & Operation												
Total Traffic Signals (Each Side)	34							58,500	60,200	61,900	63,700	65,600
2008 Cost per One Side of Intersection	1,625											
Growth Rate	2.9%											
Annual Road Maintenance Costs								362,500	373,100	383,900	395,000	406,500
Maintained SF	2,483,837											
Annualized Cost/SF	\$ 0.14											
Growth Rate	2.9%											
Annual Maintenance												
Street Sweeping Times Per Year	12							1,100	1,200	1,200	1,200	1,300
Maintained Curb Miles	16											
2008 Cost	66											
Growth Rate	2.9%											
CITY TOTAL								\$ 448,600	\$ 461,800	\$ 475,100	\$ 488,800	\$ 503,200
COUNTY Department Expenditures												
Supplies & Services												
Street Lights		25,100	25,100	25,100	25,100	25,100	25,800	26,500	27,300	28,100	28,900	29,800
Street Lights	218											
2008 Cost per Light	115											
Growth Rate	2.9%											
Traffic Signal Maintenance & Operation		76,600	76,600	76,600	76,600	76,600	78,800	81,100	83,400	85,700	88,300	90,900
2008 Cost Including Shared Signals												
Growth Rate	2.9%											
Annual Road Maintenance Costs		148,000	150,400	155,800	158,000	175,000	182,500	190,300	198,500	207,000	215,900	225,200
Road Costs (2007-08 Base)	175,008											
Growth Rate	4.3%											
Annual Maintenance												
Street Sweeping Times per Year	2	900	900	900	900	900	900	1,000	1,000	1,000	1,000	1,100
Maintained CURB Miles	16											
2008 Cost per Curb Mile	28											
Growth Rate	2.9%											
COUNTY TOTAL		\$ 250,600	\$ 253,000	\$ 258,400	\$ 260,600	\$ 277,600	\$ 288,000	\$ 298,900	\$ 310,200	\$ 321,800	\$ 334,100	\$ 347,000



**PROPERTY TAX EXCHANGE AGREEMENT
BETWEEN THE COUNTY OF SACRAMENTO AND THE CITY OF RANCHO CORDOVA,
RELATING TO THE RANCHO CORDOVA SPHERE OF INFLUENCE**

This PROPERTY TAX EXCHANGE AGREEMENT (hereinafter "Agreement") is made and executed in duplicate this _____ day of _____, 2009 by and between the COUNTY OF SACRAMENTO, a political subdivision of the State of California (hereinafter referred to as "COUNTY"), and the CITY OF RANCHO CORDOVA, a general law city (hereinafter referred to as "CITY").

RECITALS

A. On June 6, 1978, the voters of the State of California amended the California Constitution by adding Article XIII A thereto which limited the total amount of property taxes which could be levied on property by local taxing agencies having such property within their territorial jurisdiction to one percent (1%) of full cash value; and

B. Following such constitutional amendment, the California Legislature added Section 99 to the California Revenue and Taxation Code which requires a city seeking to annex property to its incorporated territory and a county affected by such annexation to agree upon an exchange of property taxes which are derived from such property and available to the county and city following annexation of the property to the incorporated territory of the city; and

C. CITY has filed an application with the Sacramento Local Agency Formation Commission ("LAFCO"), entitled "City of Rancho Cordova Annexation – Annexation of the Sphere of Influence (LAFC-07-09)," requesting its approval of the annexation of approximately 748 acres of real property to CITY, consisting of all of the area within the CITY's sphere of influence, as designated by LAFCO and approved by the voters in November 2002 ("the Sunrise-Folsom Annexation"); and

D. COUNTY and CITY wish to work together to develop a fair and equitable approach to the sharing of real property ad valorem taxes imposed and collected as authorized by the Revenue and Taxation Code in order to encourage sound urban development and economic growth; and

E. The purpose of this Agreement is to serve as a Property Tax Transfer Agreement pursuant to Section 99 of the California Revenue and Taxation Code for the Sunrise-Folsom Annexation.

COUNTY and CITY hereby agree as follows:

Section 1. Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) "Annexation Area" shall mean that portion of the unincorporated area of COUNTY designated by LAFCO as the sphere of influence of CITY known as the "Sunrise-Folsom Annexation",

(b) "Annexation Date" shall mean the date specified by the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (California Government Code § 56000 et seq.) as the effective date of the Sphere of Influence Annexation.

(c) "Sunrise-Folsom Annexation" shall mean the annexation to the CITY as delineated in Sacramento Local Agency Formation Commission Application Control Number "LAFC 07-09", the annexation of which to CITY is subsequently approved and completed by the Sacramento Local Agency Formation Commission as provided in the

Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (California Government Code § 56000 et seq.).

(d) "Property Tax Revenue" shall mean revenue from "ad valorem real property taxes on real property", as said term is used in Section 1 of Article XIII A of the California Constitution and more particularly defined in subsection (c) of Section 95 of the California Revenue and Taxation Code, that is collected from within the Annexation Area, is available for allocation to the City and the County, and is currently allocated to the County General Fund and County Road Fund.

Section 2. Purpose of Agreement. The purpose of this Agreement is to set forth the exchange of Property Tax Revenue between CITY and COUNTY as required by Section 99 of the California Revenue and Taxation.

Section 3. Exchange of Property Tax Revenues. On and after the Annexation Date, the COUNTY and CITY shall exchange Property Tax Revenue as follows:

(a) CITY shall receive none of the Property Tax Revenues from the Annexation Area when and as such revenues are apportioned to jurisdictions in the tax rate area by the County Auditor pursuant to Article 2 of Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code, including Revenue and Taxation Code section 96.1.

(b) CITY shall receive none of the annual tax increment from the Annexation Area when and as such revenues are apportioned to jurisdictions in the tax rate area by the County Auditor pursuant to Article 2 of Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code, including Revenue and Taxation Code section 96.5.

Section 4. Exchange by County Auditor. COUNTY and CITY agree that all of the exchanges of Property Tax Revenue required by this Agreement shall be made by the County Auditor.

Section 5. Disposition of Litigation. After CITY's City Council and COUNTY's Board of Supervisors have adopted resolutions approving this Agreement, and authorizing and directing the Mayor and Board Chairperson to sign the Agreement, and after the Mayor and Board Chairperson have signed the Agreement and the resolutions, CITY and COUNTY shall submit a joint stipulation to the Court in Sacramento Superior Court Case No. 34-2008-00002478-CU-WM-GDS initiated by CITY by its Complaint and Petition for Writ of Mandamus which names as Defendants and Respondents the County of Sacramento and the Sacramento County Board of Supervisors, and asks the Court, among other things, to issue a peremptory writ of mandamus directing the County to adopt a resolution ratifying a property tax sharing agreement for entry of judgment pursuant to the terms of this agreement. CITY and COUNTY shall each bear their own attorneys' fees in connection with the litigation of the Petition for Writ of Mandamus and Complaint for Declaratory Relief.

Section 6.

Section 6. Mutual Defense of Agreement. If the validity of this Agreement is challenged in any legal action by a party other than COUNTY or CITY, the CITY agrees that the COUNTY may defend the CITY against the legal challenge at no cost to the CITY.

Section 7. Modification. The provision of this Agreement and all of the covenants and conditions set forth herein may be modified or amended only by a writing duly authorized and executed by both the COUNTY and CITY.

Section 8. Reformation. COUNTY and CITY understand and agree that this Agreement is based upon existing law, and that such law may be substantially amended in the future. In the event of an amendment of state law which renders this Agreement invalid or inoperable or which denies any party thereto the full benefit of this Agreement as set forth

herein, in whole or in part, then COUNTY and CITY agree to renegotiate the Agreement in good faith.

Section 9. Effect of Tax Exchange Agreement. This Agreement shall be applicable solely to the Sunrise-Folsom Annexation and does not constitute either a master tax sharing agreement or an agreement on property tax exchanges which may be required for any other annexation to the CITY, nor does it alter, enlarge or affect any revenue sharing obligations of the City by way of incorporation on July 1, 2003.

Section 10. Entire Agreement. With respect to the subject matter hereof only, this Agreement supersedes any and all previous negotiations, proposals, commitments, writings, and understandings of any nature whatsoever between COUNTY and CITY except as otherwise provided herein.

Section 11. Notices. All notices, requests, certifications or other correspondence required to be provided by the parties to this Agreement shall be in writing and shall be personally delivered or delivered by first class mail to the respective parties at the following addresses:

COUNTY
County Executive
County of Sacramento
700 H Street, Room 7650
Sacramento, CA 95814

CITY
City Manager
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

Notice by personal delivery shall be effective immediately upon delivery. Notice by mail shall be effective upon receipt or three days after mailing, whichever is earlier.

Section 12. Approval, Consent, and Agreement. Wherever this Agreement requires a party's approval, consent, or agreement, the party shall make its decision to give or withhold such approval, consent or agreement in good faith, and shall not withhold such approval, consent or agreement unreasonably or without good cause.

Section 13. Construction of Captions. Captions of the sections of this Agreement are for convenience and reference only. The words in the captions in no way explain, modify, amplify, or interpret this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in the county of Sacramento, State of California, on the dates set forth above.

COUNTY OF SACRAMENTO, a political
subdivision of the State of California

By _____
Chairperson of the Board of Supervisors

(SEAL)

ATTEST: _____
Clerk of the Board of Supervisors

Approved As to Form:

County Counsel

CITY OF RANCHO CORDOVA, a general law city

By: _____
City Manager

(SEAL)

ATTEST: _____
City Clerk

Approved As to Form:

City Attorney
1283024.4

**Annual Steps for City to Recover Costs of Services and To Share Remaining Revenues
with County from the Sunrise-Folsom Annexation Area**

1. **Step 1 -- City's Cost of Services.** The City's initial cost of services ("the City Cost") for the Annexation Area will be derived from the "Expenditures by Department" identified in Exhibit 2 to the RSG Sunrise/Folsom Annexation Fiscal Analysis (the "Fiscal Analysis") report dated December 23, 2008, attached hereto, for the first fiscal year (or part thereof) following the effective date of annexation. For example, if the effective date of the annexation is July 1, 2010, for the fiscal year ending June 30, 2011, the City Cost for services for the fiscal year ending June 30, 2011 will be deemed to be \$1,271,900 (from Fiscal Analysis, Exhibit 2, under the column titled "7/1/2010"). In determining the costs of services for each year thereafter, annually every September, the City will adjust the City Cost by the annual change in the San Francisco-Oakland-San Jose Consumer Price Index for All Urban Consumers (the "CPI Index") for the month of June, except the portion identified in the Fiscal Analysis as "Law Enforcement" which shall be inflated by the June CPI Index plus one (1) percentage point. The City Cost, as so adjusted each year, shall be known as the "Adjusted City Cost."

After the second year following the effective date of annexation and every five (5) years (or less frequently) thereafter, the City may retain an independent consultant to determine the City's actual costs of services for the Annexation Area including an annualized average cost of road maintenance for slurry seals and overlays as included in the Fiscal Analysis. The actual costs, as so determined, shall become the "Adjusted City Cost" for the following year and the "Adjusted City Cost" shall thereafter be adjusted as provided above until it is again revised based on an actual determination of the City's costs of services.

2. **Step 2 -- Property Tax.** The County will retain all of the property tax from the Sunrise/Folsom annexation area (the "Annexation Area") that it receives from its allocation of the 1% *ad valorem* property tax provided for in Article XIII A, section 1(a) of the California Constitution to the County General Fund and the County Road Fund. The City will receive no allocation of the 1% *ad valorem* property tax related to the County's existing tax allocation factor from the Annexation Area.
3. **Step 3 -- Revenues Other Than Sales Tax, TOT and UUT.** The City will initially determine the total of all revenues from the Annexation Area using the "Revenues by Source" identified in Exhibit 2 to the Fiscal Analysis for the first fiscal year following the effective date of annexation with the following two exceptions. First, the "Franchise Fees" identified on Exhibit 2 shall be reduced by \$149,300, which is the amount of franchise fees for "Energy" identified on Exhibit 12; for example, with such reduction, the "Franchise Fees" from Exhibit 2 would be \$34,600 for the fiscal year ending June 30, 2010. Second, the 1% *ad valorem* property tax, sales and use taxes (Bradley-Burns Uniform Sales and Use Tax), transient occupancy taxes ("TOT"), and utility users' taxes from energy and gas ("UUT") shall be excluded. The total of all revenues from the

Annexation Area, using "Revenues by Source" identified in Exhibit 2, with the reduction to "Franchise Fees" and the exclusion of the revenues from the foregoing four taxes, shall be referred to as "Other Revenues."

For example, if the effective date of the annexation is July 1, 2010, for the fiscal year ending June 30, 2011, the annual Other Revenues will be deemed to be \$315,400 (from Fiscal Analysis, Exhibit 2 and Exhibit 12 (for UUT) under the column titled "7/1/2010"). Each year thereafter, the City will adjust \$156,300 of the Other Revenues by the CPI Index, and all the remainder of the Other Revenues shall be inflated or decreased by the CPI Index less two (2) percentage points. (The \$156,300 consists of the portion of "Com Dev. Building & Code Compliance Fees" from Exhibit 2 attributable to Building and Safety revenues; such revenues are equal to \$156,300 of Building and Safety expenditures.) The Other Revenues, as so adjusted, shall be known as the "Adjusted Other Revenues."

4. **Step 4 -- Annual "Reimbursement" of City's Cost of Providing Services.** The City will take the City Cost calculated in Step 1 above or the Adjusted City Cost for years following the first year and subtract Other Revenues calculated in Step 3 above or the Adjusted Other Revenues for years following the first year. The result of this calculation equals the remaining amount of money the City will "retain" (the "Remaining Cost") as reimbursement for its cost of providing services before the County receives any of the sales and use tax, TOT and UUT revenues.

In the example introduced above, for the year July 1, 2010 through June 30, 2011, the Remaining Cost equals \$956,500 (the \$1,271,900 in Step 1 less the \$315,400 in Step 3. The City will recover the Remaining Cost from the sales and use taxes and/or the TOT from the Annexation Area.

5. **Step 5 -- Sales and Use Tax Sharing.** Upon annexation, the City will be entitled to receive from the Annexation Area Bradley-Burns Act sales and use tax revenues which are collected from Annexation Area businesses and allocated by the State Board of Equalization (the "Sales Tax") to the City pursuant to the City's sales and use tax ordinance, which presently imposes a tax of 1%, and the City's contract with the State Board of Equalization.

Presently, due to a state financing mechanism known as the "triple flip" (Revenue and Taxation Code section 97.68), the state has effectively "borrowed" a portion of cities' sales and use tax revenues and "replaced" it with revenues transferred from the Educational Revenue Augmentation Fund ("the Sales Tax In Lieu Revenues"). The triple flip will expire at some point in the future. For the purposes of this paragraph, the parties intend to share the Sales Tax In Lieu Revenues in the same manner as Sales Taxes under this paragraph.

The City shall use the Sales Tax to pay any consultant or third party costs, if any, for costs associated with providing information to the City and County on the amount of

Sales Tax, TOT, and/or UUT revenues that are generated from the Annexation Area or determining the actual cost of services for the Annexation Area. Following that payment, the City shall apply the Sales Tax to reimburse itself for the Remaining Cost until the Remaining Cost has been reduced to zero. Following the "repayment" of the Remaining Cost for the fiscal year, the City shall transmit to the County seventy-five percent (75%) of the Sales Tax received within 60 days after the end of each quarter. Sales Taxes from the Annexation Area will be calculated by a sales tax consultant retained by the City using actual sales tax receipt information as provided by the State Board of Equalization.

If the City increases the rates of its Bradley-Burns Act sales and use tax, imposes a transactions and use tax in the City, including the Annexation Area, or other tax imposed on retailers for the privilege of conducting business in the City, the tax proceeds from the new tax will not be subject to the revenue sharing provided for in this Agreement.

6. **Step 6 -- Transient Occupancy Tax Sharing.** Upon annexation, the Transient Occupancy Taxes ("TOT") from the Annexation Area will be collected by the City. The City shall transmit to the County seventy-five percent (75%) of the Annexation Area TOT collected from the previous quarter within 30 days after the quarter has ended. If by the end of the fourth quarter of the fiscal year the City has not been fully "reimbursed" the Remaining Cost from the Sales Tax for the fiscal year, the City shall be "reimbursed" the Remaining Cost from the County's seventy-five percent (75%) share of the TOT. The City will provide the County quarterly reports of all TOT revenues received from each establishment paying TOT in the Annexation Area. If the City increases the rate of the TOT in excess of the current rate of 12%, the City will retain 100% of the revenue associated with the tax increase.

7. **Step 7 -- Utility Users' Tax Sharing.** The UUT from the Annexation Area is collected by the utilities and paid by them to the City. The City shall transmit to the County seventy-five percent (75%) of the Annexation Area UUT from energy and gas within 30 days after the end of each quarter after receipt of such revenues by the City from the utilities. The City will provide the County quarterly reports of all UUT received from each entity paying UUT for energy and gas in the Annexation Area.

If the City enacts a utility users' tax measure which broadens the services subject to the tax beyond those taxed as of the effective date of the annexation and/or increases the tax rate, the City will retain 100% of the revenue attributable to the tax base expansion.

8. **Step 8 -- Securitization of Payments.** The County shall have the right to withhold the amounts set forth in Steps 5, 6 and 7 from the distribution of the City's share of the 1% property *ad valorem* tax collected from property within the City that is located outside the Annexation Area if the City fails to transmit the County's share of the TOT, Sales Tax, and/or energy and gas UUT to the County within 60 days following the end of each

EXHIBIT C

quarter. The amount(s) to be withheld shall equal an amount up to the amount of the last distribution by the City to the County of TOT, Sales Tax, or energy and gas UUT, as the case may be. The City shall be credited the amount withheld as payment of the County's share of the TOT, Sales Tax, and/or energy and gas UUT for the quarter and the amount withheld shall be adjusted by payment by the City to the County of any additional amount owed or refund by the County to the City of any amount withheld in excess of the amount owed by the City to the County, as the case may be. The County shall provide the City a report identifying the amount of property tax so withheld within fifteen (15) days of such withholding.

MEMORANDUM



DATE: October 5, 2009
TO: Honorable Mayor and Council Members
FROM: Reed Flory, Economic Development Department
SUBJECT: SUBSTANTIAL AMENDMENT TO THE 2008-09 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ACTION PLAN

RECOMMENDATION

Adopt Resolution No. 100-2009.

RESULT OF RECOMMENDED ACTION

Adoption of this resolution will authorize the City Manager to submit an amendment to the 2008-2009 CDBG Action Plan to the U.S. Department of Housing and Urban Development (HUD).

BACKGROUND

The City receives an annual Community Development Block Grant (CDBG) from the U.S. Department of Housing and Urban Development (HUD), which is generally around \$700,000 annually. The grant allows the City to carry out a number of housing and community development programs that are targeted primarily to low- and moderate-income households and individuals, including housing rehabilitation, neighborhood infrastructure improvements, and public services.

In February 2009, the American Recovery and Reinvestment Act was signed into law. The Act awarded additional CDBG funds, called CDBG-Recovery or CDBG-R, to jurisdictions that received CDBG funding in the 2008-09 program year. The City of Rancho Cordova received \$185,416 in CDBG-R funds. Funded projects must be implemented within 120 days of the grant agreement, which was received late August 2009.

ANALYSIS

The 2008-09 CDBG Action Plan Substantial Amendment describes the proposed uses of the CDBG-R funds. The City originally planned to use the funds to complete energy efficiency components of housing rehabilitation projects to acquire a vehicle to be used with a neighborhood improvement program, and to administer those projects. However, using funds on housing rehabilitation projects proved difficult due to prevailing wage requirements and other requirements of CDBG-R. Staff now believes that meeting the December implementation deadline would not be possible.

Over the past several months, staff explored several project ideas that could meet the CDBG-R expenditure deadlines. The Cordova Recreation and Park District (CRPD) identified a need for an alternate power source for the Rancho Cordova Senior Center. By funding a 100 percent solar electric power system that will provide all of the electricity the facility uses regularly, the

CRPD's energy expenses for the Senior Center would be reduced to a negligible amount or eliminated entirely. The CRPD will then use the utility savings to maintain and expand their programs for seniors, including the congregate meal program.

In addition, improvements to the White Rock Neighborhood walkway (public right-of-way), located across the light rail tracks from the corner of Coloma Road and Folsom Boulevard, have been identified as necessary to improve public safety issues along the walkway. By funding improvements to the walkway, staff has determined considerable safety issues could be alleviated.

Staff recommends moving the \$139,063 originally allocated to housing rehabilitation to the Senior Center solar power project (\$129,063) and White Rock Neighborhood walkway improvements (\$10,000), allowing installation of solar power panels and walkway safety improvements by mid-December, in accordance with the CDBG-R deadlines. The remainder of CDBG-R funds will be allocated as originally planned.

ATTACHMENTS

1. Resolution No. 97-2009 including (**Exhibit A**) Draft Substantial Amendment to the 2008-09 CDBG Action Plan
2. CDBG-R Activity Data Spreadsheet

CITY OF RANCHO CORDOVA

RESOLUTION NO. 97-2009

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
APPROVING THE ADOPTION OF THE SUBSTANTIAL AMENDMENT TO THE 2008-09
COMMUNITY DEVELOPMENT BLOCK GRANT ACTION PLAN**

WHEREAS, the Community Development Block Grant Program, authorized pursuant to Title 1 of the Housing and Community Development Act of 1974, as amended (Act), requires that jurisdictions provide for the issuance of grants in order to attain the objective of providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-income; and

WHEREAS, the Department of Housing and Urban Development (HUD) is the federal agency that promulgates regulations and oversees the administration of the Community Development Block Grant (CDBG) program that the funds are granted under; and

WHEREAS, HUD requires that entitlement jurisdictions complete a plan for expending the funds on eligible activities, referred to as the Action Plan, and amend it as necessary to accommodate significant changes in the usage of funds; and

WHEREAS, the American Recovery and Reinvestment Act awarded additional funds in CDBG Recovery (CDBG-R) funds to the City of Rancho Cordova for program year 2008-09; and

WHEREAS, the Substantial Amendment to the 2008-09 CDBG Action Plan described the proposed uses of the CDBG-R funds; and

WHEREAS, staff has completed the substantial amendment to the 2008-09 Action Plan; and

WHEREAS, the amendment to the Action Plan Substantial Agreement and a public notice announcing the 15-day public comment period for the report have been published for citizen comment prior to forwarding the document to City Council for adoption; and

WHEREAS, the City Council held a public hearing on October 5, 2009, to allow the public to provide an opportunity for the public to comment on the information in the amendment to the Action Plan.

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

1. Adopts the amendment to the 2008-09 CDBG Action Plan Substantial Amendment **(Exhibit A)**;
2. Authorizes the City Manager to submit the amendment and all required certifications and forms to the Department of Housing and Urban Development; and
3. Allows staff to make technical modifications to the Action Plan to correct minor errors or as required by HUD.

ATTACHMENT 1

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

THE CDBG-R SUBSTANTIAL AMENDMENT

Jurisdiction(s): City of Rancho Cordova	CDBG-R Contact Person: Reed Flory
Jurisdiction Web Address: http://www.cityofranchocordova.org	Address: 2729 Prospect Park Drive Rancho Cordova, CA 95670
	Telephone: 916-851-8784
	Fax:
	Email: rflory@cityofranchocordova.org

ENSURING RESPONSIBLE SPENDING OF RECOVERY ACT FUNDS

Funding available under the Recovery Act has clear purposes – to stimulate the economy through measures that modernize the Nation’s infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. HUD strongly urges grantees to use CDBG-R funds for hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings. While the full range of CDBG activities is available to grantees, the Department strongly suggests that grantees incorporate consideration of the public perception of the intent of the Recovery Act in identifying and selecting projects for CDBG-R funding.

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

Grantees must provide information concerning CDBG-R assisted activities in an electronic spreadsheet provided by HUD. The information that must be reported in the spreadsheet includes activity name, activity description, CDBG-R dollar amount budgeted, eligibility category, national objective citation, additional Recovery Act funds for the activity received from other programs, and total activity budget. An electronic copy of the spreadsheet and the format is available on HUD’s recovery website at <http://www.hud.gov/recovery>.

B. CDBG-R INFORMATION BY ACTIVITY

(1) Activity Name: Senior Center Solar Improvements (\$129,063)

(2) Activity Narrative:

The City plans to provide funding for a 100 percent solar electric power system that will serve the Rancho Cordova Senior Center. The solar system will provide all of the electricity the facility uses regularly, reducing energy costs to the Cordova Recreation and Park District (CRPD). The CRPD will then use the utility savings to expand their programs for seniors, including the congregate meal program. Seniors attending a local senior center are presumed to be moderate-income (earning up to 80 percent of the area median income).

The Senior Center solar improvements project will meet the requirements of Title XII of Division A and Section 1602 of the American Recovery and Reinvestment Act. Below is a brief narrative on how the project will meet each of the CDBG-R goals:

- *Preserving and creating jobs and promoting economic recovery.* The Senior Center solar improvements project will help to create or preserve jobs in green energy fields. Additionally, with the energy savings from the 100 percent solar system, the CRPD will create one part-time staff position to coordinate activities and food service at the Senior Center.
- *Assisting those most impacted by the recession.* The Senior Center serves local seniors, who are presumed to be moderate-income. Many of the seniors have seen their Social Security and retirement incomes fall, and many rely on the Senior Center for a nutritious lunchtime meal.
- *Providing investment needed to increase economic efficiency.* Investment in energy efficiency improvements frees up limited resources to be spent on direct service provision (e.g., meal costs, program staffing).
- *Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits.* Energy improvements associated with the Senior Center solar improvements project will eliminate or reduce the Senior Center energy bill to a negligible level. Because the CRPD budget for the Senior Center will remain the same, this will allow more funding to flow to service provision for the next few decades.
- *Minimizing or avoiding reductions in essential services.* Many seniors turn to the Senior Center for a daily nutritious meal that they otherwise would not be able to afford. With recent cutbacks at the County level in funding for meals and Senior Center activities, and a limited CRPD budget, the solar improvements project will allow the CRPD to continue serving senior meals five days per week to any senior attending the Center.
- *Fostering energy independence.* The Senior Center solar improvements will directly reduce energy usage and foster energy independence.

(3) Jobs Created:

Permanent: 1 part-time

Construction: 1 part-time
Temporary: 0

(4) Additional Activity Information:

The City will evaluate the fiscal impact of completing all housing rehabilitation work using green building and techniques that promote energy conservation, and will use these standards when financially feasible.

(5) Responsible Organization:

The Cordova Recreation and Park District will work closely with the City of Rancho Cordova to implement the activity. A CPRD project contact will be identified soon, and the City's project contact is:

David Gassaway
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
916-851-8896
dgassaway@cityofranchocordova.org

B. CDBG-R INFORMATION BY ACTIVITY

(1) Activity Name: White Rock Neighborhood Pathway Improvements (\$10,000)

(2) Activity Narrative:

The City plans to improve infrastructure to improve safety to pedestrians and decrease the amount of blight along the pathway. Due to the original design of the pathway, there has been increasing criminal activity along the pathway including graffiti, drug use, and violent crime. Included in the improvements will be the addition of solar power street lights to improve nighttime visibility and decrease the electrical costs of the pathway.

The pathway improvement project will meet the requirements of Title XII of Division A and Section 1602 of the American Recovery and Reinvestment Act. Below is a brief narrative on how the project will meet each of the CDBG-R goals:

- *Preserving and creating jobs and promoting economic recovery.* The pathway will help to preserve jobs in the construction industry by removing the existing pathway and rebuilding it in an improved angle and with new fencing for increased safety.
- *Assisting those most impacted by the recession.* The pathway serves an area of residents who are at or below median-income and who use the pathway to travel to and from the main thoroughfare of the City. This pathway allows greater access to public transportation which typically benefits those who are at or below 80% of area median income.
- *Providing investment needed to increase economic efficiency.* Increasing safety to the pathway will improve the ability of persons to walk to and from public transportation. Additionally, installation of solar street lights will improve energy efficiency and cut down on costs of operating the pathway.
- *Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits.* As this pathway is one of only a handful of pathways that crosses heavy rail lines in the State of California, improving safety should increase the use of the pathway and provide those at or below 80% area median income a safe passage to public transportation.
- *Minimizing or avoiding reductions in essential services.* Due to unsafe conditions it has been reported that this pathway has seen less use which has impacted persons in the area. This pathway serves as a crossing that reduces the distance walked to public transportation by nearly one mile. By improving the safety of the pathway the City hopes to bring pedestrians back to the pathway and improve their accessibility to public transportation, which is considered an essential service.
- *Fostering energy independence.* Installation of solar lighting will cut down on the amount of electricity consumed and directly foster energy independence.

(3) Jobs Created:

Permanent: 0
Construction: 2 temporary
Temporary: 2

(4) Additional Activity Information:

The City will evaluate the fiscal impact of completing all housing rehabilitation work using green building and techniques that promote energy conservation, and will use these standards when financially feasible.

(5) Responsible Organization:

David Gassaway
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
916-851-8896
dgassaway@cityofranhocordova.org

B. CDBG-R INFORMATION BY ACTIVITY

(1) Activity Name: Neighborhood Improvement Program (\$27,812)

(2) Activity Narrative:

The City plans to provide funding for the acquisition of a van to be used in coordination with the Neighborhood Improvement Program. The van will be stocked with tools, flowers, paint, and other items and will be driven to CDBG target areas on weekends. Area residents can make use of the supplies in the van to improve the appearance of their homes and the neighborhood in general and to advertise available low-interest loans and grant programs for residential rehabilitation and energy efficiency programs. The van will be used after “Blight Busters” events, where code enforcement proactively writes up neighborhood violations. The program will be staffed part-time by a code enforcement officer. CDBG target areas are those with the majority of their residents falling into the low- and moderate-income categories, and therefore beneficiaries will be primarily low- and moderate-income residents.

The Neighborhood Improvement Program van purchase will meet the requirements of Title XII of Division A and Section 1602 of the American Recovery and Reinvestment Act. Below is a brief narrative on how the project will meet each of the CDBG-R goals:

- *Preserving and creating jobs and promoting economic recovery.* The Neighborhood Improvement Program will promote economic recovery by encouraging investment in target-area neighborhoods. These are neighborhoods with many foreclosures and deferred maintenance. Improving the neighborhoods’ appearances will potentially help to stabilize or increase housing values.
- *Assisting those most impacted by the recession.* The program provides all target-area households with the tools necessary to improve their homes and neighborhood. Many of these households include members in professions with high unemployment rates, including construction and restaurant/retail. These are the households least likely to be able to purchase tools, paint, or other items to help maintain their homes.
- *Providing investment needed to increase economic efficiency.* Investment in housing improvements allows households to stretch their incomes farther by reducing expenses.
- *Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits.* The purchase of the van will serve the program over the next several years, providing an inexpensive means of stabilizing or increasing property values.
- *Minimizing or avoiding reductions in essential services.* Many households are unable to improve their homes when affected by economic concerns. The funds will allow the program to expand to serve additional households and unmet need.
- *Fostering energy independence.* The program will assist in the advertisement of City weatherization and energy conservation programs.

(3) Jobs Created:

Permanent: 0
Construction: 0
Temporary: 0

(4) Additional Activity Information:

The City will evaluate the fiscal impact of completing providing green building materials, such as low-VOC paint.

(5) Responsible Organization:

The City of Rancho Cordova will implement the activity internally, coordinating with non-profit agencies as necessary. The City's CDBG contact is:

Sarah Bontrager, Grants Specialist
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
916-231-3354
sbontrager@cityofranhocordova.org

B. CDBG-R INFORMATION BY ACTIVITY

(1) Activity Name: **Administration (\$18,541)**

(2) Activity Narrative:

Provide management and implementation oversight of the CDBG-R funds, ensuring compliance with federal regulations and state and local policies.

Program administration is an eligible cost under Title XII of Division A and Section 1602 of the American Recovery and Reinvestment Act. Administration activities are not required to meet the CDBG-R goals for capital projects and service activities.

(3) Jobs Created:

Permanent: 0.2 FTE

Construction: 0

Temporary: 0

(4) Additional Activity Information:

None.

(5) Responsible Organization:

The City of Rancho Cordova will implement the activity. The City's CDBG contact is:

Sarah Bontrager, Grants Specialist
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
916-231-3354
sbontrager@cityofranhocordova.org

C. PUBLIC COMMENT

Provide a summary of public comments received to the proposed CDBG-R Substantial Amendment.

Note: A Proposed CDBG-R Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 7 calendar days for public comment.

Response:

Public comment received on this amendment will be summarized following the public comment period, which will from September 21 to October 5, 2009.

Public notices in English and Spanish, as well as the draft amendment, were posted on the City's website.

CDBG-R Substantial Amendment Grantee Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the CDBG-R Substantial Amendment, Spreadsheet for Reporting Proposed CDBG-R Activities, and SF-424.

Contents of a CDBG-R Action Plan Substantial Amendment

Jurisdiction(s): City of Rancho Cordova Jurisdiction Web Address: http://www.cityofranchocordova.org	CDBG-R Contact Person: Reed Flory Address: 2729 Prospect Park Drive Rancho Cordova, CA 95670 Telephone: 916-851-8784 Fax: Email: rflory@cityofranchocordova.org
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The elements in the substantial amendment required for the CDBG recovery funds are:

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

Does the submission contain a paper copy of the Spreadsheet for Reporting Proposed CDBG-R Activities?

Yes ☒ No ☐ Verification found on page **8 (spreadsheet)**

Does the submission include an electronic version of the Spreadsheet for Reporting Proposed CDBG-R Activities sent to the email box CDBG-R@hud.gov?

Yes ☒ No ☐ Date Spreadsheet was emailed: **10/5/09**

Does the Spreadsheet for Reporting Proposed CDBG-R Activities include, for each activity:

- amount of funds budgeted for each activity, including CDBG-R funds, any additional Recovery Funds used and total activity budget,
 Yes ☒ No ☐ Verification found on page(s) **8 (spreadsheet)**
- the Eligibility citation (eligibility regulatory cite or HCDA cite),
 Yes ☒ No ☐ Verification found on page(s) **8 (spreadsheet)**
- the CDBG national objective citation,
 Yes ☒ No ☐ Verification found on page(s) **8 (spreadsheet)**

B. CDBG-R INFORMATION BY ACTIVITY

Does the submission contain information by activity describing how the grantee will use the funds, including:

- a narrative for each activity describing how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit,
Yes ☒ No ☐ Verification found on page(s) 2, 4
- projected number of jobs created for each activity,
Yes ☒ No ☐ Verification found on page(s) 2, 4
- whether an activity will promote energy efficiency and conservation,
Yes ☒ No ☐ Verification found on page(s) 2, 4
- the name, location, and contact information for the entity that will carry out the activity,
Yes ☒ No ☐ Verification found on page(s) 2, 4, 6
- evidence that no more than 10% of the grant amount will be spent on administration and planning,
Yes ☒ No ☐ Verification found on page (s) 6, 8 (spreadsheet)
- evidence that no more than 15% of the grant amount will be spent on public services,
Yes ☒ No ☐ Verification found on page (s) 6, 8 (spreadsheet)
- evidence that at least 70% of the grant amount will benefit persons of low and moderate income,
Yes ☒ No ☐ Verification found on page (s) 2, 4, 6

C. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the jurisdiction's usual methods and on the Internet for no less than 7 calendar days of public comment?

Yes ☒ No ☐ Verification found on page(s) 7

Is there a summary of citizen comments included in the final amendment?

Yes ☒ No ☐ Verification found on page(s) 7

D. CERTIFICATIONS

The following certifications are complete and accurate:

- | | | |
|---|---|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes ☒ | No ☐ |
| (2) Anti-displacement and relocation plan | Yes ☒ | No ☐ |
| (3) Drug-free Workplace | Yes ☒ | No ☐ |
| (4) Anti-lobbying | Yes ☒ | No ☐ |
| (5) Authority of jurisdiction | Yes ☒ | No ☐ |
| (6) Consistency with plan | Yes ☒ | No ☐ |
| (7) Section 3 | Yes ☒ | No ☐ |

- | | | |
|--|---|--|
| (8) Community development plan | Yes ☒ | No ☐ |
| (9) Following a plan | Yes ☒ | No ☐ |
| (10) Use of Funds | Yes ☒ | No ☐ |
| (11) Excessive Force | Yes ☒ | No ☐ |
| (12) Compliance with anti-discrimination laws | Yes ☒ | No ☐ |
| (13) Lead-based paint procedures | Yes ☒ | No ☐ |
| (14) Compliance with laws | Yes ☒ | No ☐ |
| (15) Compliance with ARRA | Yes ☒ | No ☐ |
| (16) Project selection | Yes ☒ | No ☐ |
| (17) Timeliness of infrastructure investments | Yes ☒ | No ☐ |
| (18) Buy American provision | Yes ☒ | No ☐ |
| (19) Appropriate use of funds for infrastructure investments | Yes ☒ | No ☐ |
| (20) 70% of CDBG-R for LMI | Yes ☒ | No ☐ |
| Optional Certification | | |
| (21) Urgent Need | Yes ☐ | No ☒ |

D. STATE CERTIFICATIONS

The following certifications are complete and accurate:

- | | | |
|--|------------------------------|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes ☐ | No ☐ |
| (2) Anti-displacement and relocation plan | Yes ☐ | No ☐ |
| (3) Drug-free Workplace | Yes ☐ | No ☐ |
| (4) Anti-lobbying | Yes ☐ | No ☐ |
| (5) Authority of State | Yes ☐ | No ☐ |
| (6) Consistency with plan | Yes ☐ | No ☐ |
| (7) Section 3 | Yes ☐ | No ☐ |
| (8) Community development plan | Yes ☐ | No ☐ |
| (9) Consultation with Local Governments | Yes ☐ | No ☐ |
| (10) Use of Funds | Yes ☐ | No ☐ |
| (11) Excessive Force | Yes ☐ | No ☐ |
| (12) Compliance with anti-discrimination laws | Yes ☐ | No ☐ |
| (13) Compliance with laws | Yes ☐ | No ☐ |
| (14) Compliance with ARRA | Yes ☐ | No ☐ |
| (15) Project selection | Yes ☐ | No ☐ |
| (16) Timeliness of infrastructure investments | Yes ☐ | No ☐ |
| (17) Buy American provision | Yes ☐ | No ☐ |
| (18) Appropriate use of funds for infrastructure investments | Yes ☐ | No ☐ |
| (19) 70% of CDBG-R for LMI | Yes ☐ | No ☐ |
| Optional Certification | | |
| (20) Urgent Need | Yes ☐ | No ☐ |

CDBG-R
Activity Data Spreadsheet

Jurisdiction/Grantee Name: City of Rancho Cordova		CDBG-R Formula Grant Amount: \$185,416				Date: May 26, 2009	
Activity Name	Activity Description	Eligibility (Regulatory or HCDA Citation)	National Objective Citation	CDBG-R Project Budget (\$)	Additional Recovery Funds (\$)	Other Leveraged Funding (\$)	Total Activity Budget
Senior Center Solar Improvements	Fund a 100 percent solar electric power system to serve the Rancho Cordova Senior Center.	570.201 [c]	LMC	\$129,063	\$0	0	\$129,063
Neighborhood Improvement Program	Acquire a van to be used in the Neighborhood Improvement Program, which provides tools, paint, flowers, and other items to homeowners in target areas to fix up their properties.	570.201 [e]	LMA	\$27,812	\$0	\$21,000	\$48,812
Alleviation of Public Safety Threat	Provide interim assistance to alleviate conditions threatening the public safety	570.201 (f)(2)	LMA	\$10,000	\$0	\$0	\$10,000
Administration	Provide funding for program administration.	570.206	-	\$18,541	\$0	\$0	\$18,541
							0
							0
							0
							0
							0
							0
							0
							0

MEMORANDUM

DATE: October 5, 2009
TO: Honorable Mayor and City Council Members
FROM: Jeffrey S. Beiswenger, AICP, Planning Department
SUBJECT: CAPITAL VILLAGE FUSION DESIGN REVIEW AMENDMENT



OWNER / APPLICANT / DEVELOPERS:

Beazer Homes Holdings Corp.
Contact: Jim Stich
1731 East Roseville Parkway, #100
Roseville, CA 95661

PROJECT:	Capital Village Fusion – Design Review Amendment
FILE:	DD6590
LOCATION:	East of Zinfandel Drive and south of Data Drive/ Disk Drive, extending south past International Drive.
APN:	072-2990-060 through 072-2990-077
PLANNER:	Jeffrey S. Beiswenger, AICP, Senior Planner

RECOMMENDATION

That Council:

- a) Find that the Mitigated Negative Declaration (MND) previously prepared for the Capital Village project adequately addresses environmental impacts consistent with the California Environmental Quality Act (CEQA); and
- b) Adopt Resolution No. 99-2009 to amend the Conditions of Approval related to the "Fusion" Design Review allowing the construction of eighteen townhouse units in the Capital Village project (DD6590), subject to the findings, evidence, and Conditions of Approval

RESULT OF RECOMMENDED ACTION

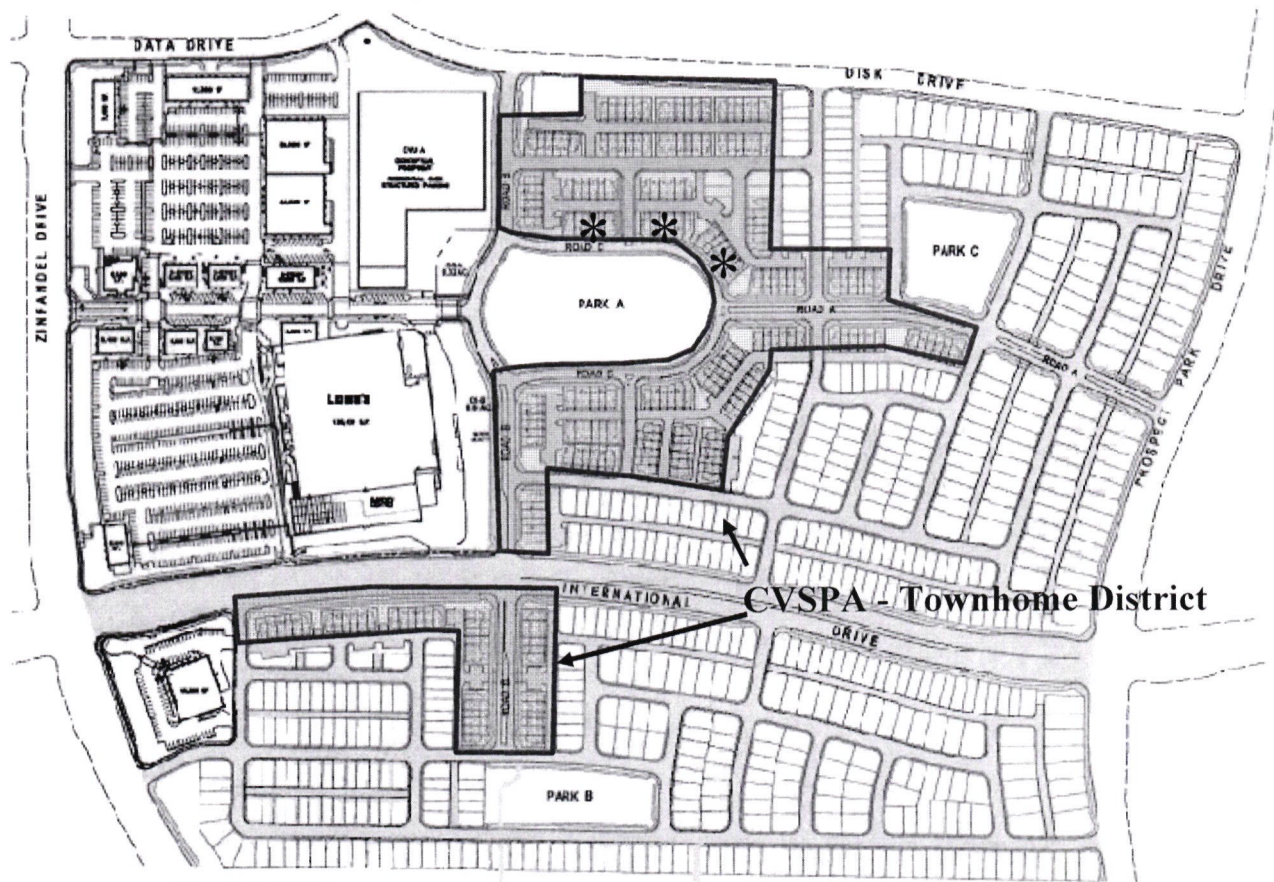
Approval of the Design Review amendment will allow the applicant to obtain building permits for three townhome buildings (lots 360 – 365; lots 366 – 371; and lots 372 – 377) located along Atherstone Drive in Capital Village.

BACKGROUND

The Capital Village project site is bordered by Data and Disk Drives to the north, Prospect Park Drive to the east, Zinfandel Drive to the west and the Villages at Zinfandel subdivision to the south. International Drive bisects the property in an east to west direction through the southern portion of the site. The design review amendment is related to the eighteen parcels (three six unit buildings) immediately to the north of *The Village Green* park within the Town Home sub-

district within the Capital Village residential neighborhood. The impacted location is highlighted by asterisks in Figure 1 below.

Figure 1 – Capital Village Site Plan



The Capital Village project is a 117-acre mixed-use development with 827 residential units and an adjacent commercial development. The residential portion of the project includes a total of 222 townhomes on 15.6 acres. The townhomes are considered single family attached units since each unit resides on a separate independent parcel, while sharing a common wall with an adjacent unit. The townhomes are designed as six consecutive units per building.

The "Fusion" design is the second townhome design approved for Capital Village by the City. The prior "Villas" design was approved by the City in June, 2005 as a component of the full Capital Village, residential design review approval (see Figure 2). Six "Villas" buildings were constructed for a total of thirty-six residential units.

Figure 2. Original Approved Townhouse (“Villas”) Design

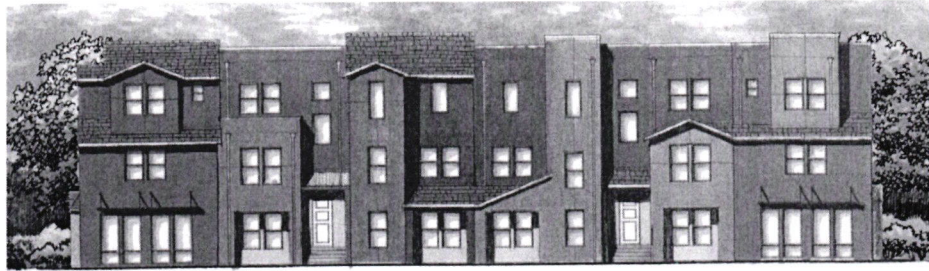
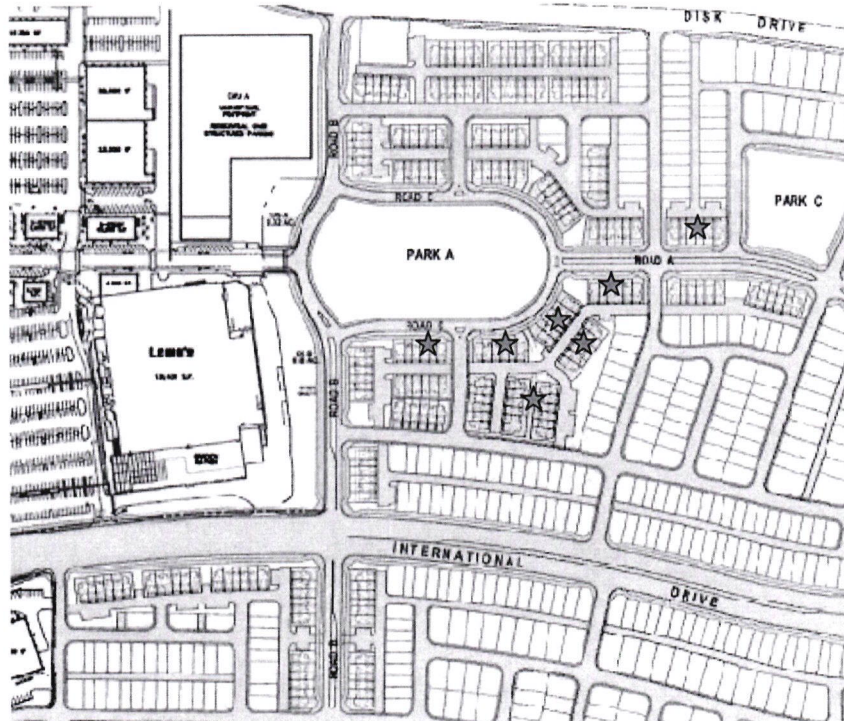


Figure 3. Location of Constructed “Villas”



The “Fusion” design replaces the “Villas” as the approved design for the remainder of the townhomes with the Capital Village project. The “Fusion” units are different from the “Villas” in the following ways:

- The “Villas” are all three story structures while the “Fusion” includes a combination of two and three story units. Additional parapet height is provided on the two story units to create taller facades closer to the original three story height.
- The “Villas” included very little private open space (e.g. balconies, patios, etc.). The new “Fusion” design integrates private space where possible into the designs in the form of balconies and internal patios.

Figure 4. Approved “Fusion” Townhouse Design



APPROVAL HISTORY

The Capital Village residential project has a number of applicable approved entitlements and related City actions that impact the Town Home District, including the “Villas” and the “Fusion” design approvals. The history of City approvals are summarized as follows:

- March 21, 2005. City Council approves Capital Village, Special Planning Area and related General Plan Amendment, Zoning Map Amendment, Tentative Map and Mitigated Negative Declaration (Ordinance 06-2005 and Resolution 35-2005).
- June 23, 2005. Planning Commission approves residential Design Review for the Capital Village project including the “Villas” design (Resolution 36-2005).
- August 23, 2007. Planning Commission approved “Fusion” design for all remaining properties in the CVSPA – Town Home sub-district.
- October 1, 2007. City Council amends the “Fusion” Conditions of Approval (COA) to require that only three story buildings are to be constructed for the eighteen parcels (three buildings) immediately to the north of The Village Green park. This requires Beazer to use the “Villas” design for these parcels or develop a new “all three story” design (Resolution 112-2007).
- September 10, 2009. Planning Commission votes to unanimously approve the amendment to revise COA to allow the “Fusion” design to be constructed on the eighteen parcels immediately north of The Village Green park.
- October 5, 2009. The design review amendment approved by the Planning Commission is called-up to the City Council for final determination by the City.

PLANNING COMMISSION SUMMARY

The Planning Commission held a hearing to consider the Design Review amendment on September 10, 2009, to hear testimony from concerned parties, and consider approval of the amendment request to allow construction of the “Fusion” design on the remaining eighteen parcels north of the Village Green. The Planning Commission heard testimony from Capital Village residents on both sides of the issue. Comments submitted to the Planning Commission

have been attached for your review. A general summary of comments that are relevant to this discussion can be summarized as follows:

- Opposed to allowing "Fusion" on parcels facing The Village Green. A petition was circulated that urges the City to not permit the construction of the Fusion on these parcels AND restrict construction of any additional units south of International Drive until the Villas are constructed on these parcels. The concern is that the Fusion design in this location will lessen the value of the Capital Village project as a whole.

Staff Response. The City does not have the ability to force the construction of the Villas on the remaining parcels or restrict construction of residential units south of International. Design review approval has already been granted for all properties south of International Drive and construction could proceed at any time.

- Fusion is not visually consistent with the Villas already built or with the Capital Village project.

Staff Response. Now that the Fusion buildings have been constructed it is clear that this design fits the design of the overall Capital Village project and is compatible with the Villa building types.

- Concern over air conditioning units along Atherstone. The current design of the Fusion building type places the air conditioning unit in front of the units, creating a visual and noise impact.

Staff Response. Planning Staff agrees that this is a concern and has included a new Condition of Approval to require that air conditioning units are placed on the roof for these three buildings.

- Support allowing "Fusion" on parcels facing The Village Green. Residents would support the change to the COAs to allow construction of the Fusion building type are concerned that without this change the properties will likely sit vacant for some time and bring down property values. A complete project, they contend has more value than an incomplete project. The Fusion design is not considered by this group to have any negative impact on the project.

Staff Response. Agree

Why Support Beazer's Request?

When the City Council placed the restriction on these three building sites in 2007, it wasn't clear that the Villas were not a viable option in this location. Staff now believes that the Villas are not a viable option, at least in the short-term. Allowing the Fusion is a necessary and important change for the following reasons:

1. The residential housing market has changed significantly since the Capital Village residential project was originally approved, necessitating construction of the less expensive and more marketable "Fusion" design.
2. Even though less expensive and somewhat smaller, the "Fusion" design is not lower quality. In fact, the "Fusion" design is in some respects superior to the prior "Villas" design.

3. Now that "Fusion" is built, we can see that the design is consistent and fits in well with the adjacent "Villas" design. This tangible "visual proof" was not available when the project was approved.
4. The amendment to the Fusion COAs would allow the completion of ALL residential units north of International Drive (a portion of Capital Village is located south of International and still vacant).
5. Without the change, it is very likely that eighteen units will remain un-built into the foreseeable future, creating a "blank" spot surrounding the centerpiece park of Capital Village and leading to potential visual blight as these parcels sit vacant for several years.
6. Not only is this park central to the Capital Village neighborhood, but it has also become a central gathering place for Rancho Cordova community events. Leaving the project unfinished could reflect negatively on the Rancho Cordova community as a whole.

PROJECT ANALYSIS

The purpose of Design Review is to ensure that the project meets the design objectives of City implementation documents. This project has been previously analyzed with regards to the Design Review Ordinance and the Capital Village Special Planning Area (CVSPA) and the project will remain consistent with approved design review with the change to the COA.

Urban Design Concepts

The CVSPA and the original design approvals of the Capital Village project promote the following urban design concepts:

- Enclosure. The change to the project COAs allow the construction of units surrounding the central park within Capital Village. The structures visually create "walls" and enclose the outdoor "living room" of the central park.
- "Eyes and the Park." The townhomes in Capital Village serve an important function of providing surveillance opportunities for residents immediately adjacent to this public park. The location and design of the Fusion units enable residents to keep a watchful eye over activity in the park ensuring that negative, and potentially criminal activity does not occur. Leaving three townhome buildings un-built will create a weak-spot in this informal surveillance network and create eighteen vacant parcels where negative activity could occur.
- Public / Private Transition. The "Fusion" design is superior to the "Villas" in terms of public / private interface. The Fusion design creates private open space for each unit with direct visual and functional connections to the public sidewalks, paseos and parks.

Design Review Ordinance

Residential projects must address relevant provisions of the City's adopted Design Review Ordinance and an amendment must continue to address these provisions:

1. *Home designs that incorporate authentic architectural styles. Particular attention shall be paid to the design of all front and side elevations facing the street or open space areas. All other elevations interior to the lot shall include, at a minimum, the articulation of all windows and doors (e.g., three-dimensional trim):*

Staff Comment: The proposed change to the COAs will allow three more Fusion buildings to be constructed adjacent to the central park in the project. Fusion provide a clean modern aesthetic that fits in the urban streetscape design approved as part of the original Capital Village residential design approval and is consistent with the other housing types built as part of the Capital Village project.

2. *Diversity of homes within the subdivision by size and mass, elevation, garage orientation, and setbacks to avoid repetition of floor plans and elevations on adjacent homes within each subdivision and/or unit within a master planned area. The intent is to create sufficient variation among home plans to ensure visual interest along residential streets throughout each neighborhood:*

Located at the center of the site, the Fusion structures will be particularly visible. The Fusion are sited adjacent to the central park and will serve as a visual back-drop for park users. The change to the COA will allow the townhomes to be completed around the park. The different facades used throughout the Capital Village project provide the variation called for in the design review ordinance while still providing a consistent and harmonious streetscape.

Figure 5. Streetscape Image



3. *Variety in mass and scale of homes that is visually appealing from the street:*

Staff Comment: Using the Fusion design around The Village Green will create additional visual variety surrounding the park, while still provide a design that is consistent with existing structures. The applicant has provided designs that are visually appealing from the street. A variety of roof forms, façade articulation, changes in depth and massing of homes all help create visual diversity and interest. The design also creates deep recessed areas in the façade which create interesting shadow lines and visual diversity from the street, as well as providing opportunities for private open space for the homeowners.

4. *Landscape that softens the appearance of pavement and structures, and provides an eventual tree canopy along the street:*

Staff Comment: This design review amendment does not change the landscape submittal for the Capital Village project, which meets this objective.

5. *Encourage home designs with a wide range of pricing levels to accommodate all income levels within the City:*

Staff Comment: The focus of this project is on entry level to mid-level housing. This is a pricing level which is not widely available in the City, or the region. The project accomplishes this provision by providing a range of small to mid-sized homes. The Townhomes, in particular, are intended to be affordable to the entry level buyer. In fact, a primary purpose of the redesign is to make the project more functional and attractive to entry level buyers, while keeping cost down to ensure that the units remain affordable.

The required design review findings and resolution are attached to this document.

ATTACHMENTS

1. Resolution No. 99-2009 including **(Exhibit A)** Conditions of Approval and **(Exhibit B)** submitted plans.
2. Correspondence from residents
3. Support Materials Provided by Beazer Homes
4. 500' Radius Map & Mailing Labels

CITY OF RANCHO CORDOVA

RESOLUTION NO. 99-2009

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
APPROVING DESIGN REVIEW AMENDMENT FOR
CAPITAL VILLAGE FUSION PROJECT # DD6590**

WHEREAS, Beazer Homes (hereinafter referred to as Applicant) filed an application with the City of Rancho Cordova (hereinafter referred to as City) for a Design Review amendment to amend the Conditions of Approval adopted by Resolution No. 105-2007 to allow construction of the Fusion architectural design on Assessor's Parcel Numbers 072-2990-060 through 077 of the Capital Village project; and

WHEREAS, the Planning Commission as the appropriate authority to hear and take action on this application conducted a properly noticed public hearing on September 10, 2009 pursuant to Government Code Section 65090, considered all written and verbal testimony presented during the hearing, and approved the Design Review amendment; and

WHEREAS, the decision of the Planning Commission was elevated to the City Council for reconsideration at the October 5, 2009 meeting and the City Council is the appropriate authority to hear and take final action; and

WHEREAS, the project site was analyzed as a part of the Capital Village, Final Supplemental Mitigated Negative Declaration, adopted in June 2006 by the City of Rancho Cordova, thereby satisfying the requirements for the California Environmental Quality Act; and

WHEREAS, the City Council of the City of Rancho Cordova has conducted a properly noticed public hearing pursuant to Government Code Section 65090 and has duly considered all written and verbal testimony presented during the hearing.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AS FOLLOWS:

1. That the project site was adequately analyzed according to the California Environmental Quality Act Guidelines (CEQA):

Finding

The project has been analyzed as part of the Capital Village, Final Supplemental Mitigated Negative Declaration (MND), and is therefore in compliance with CEQA.

Evidence

The Capital Village, MND was adopted in 2005 and updated in 2006 as part of entitlement approvals for the Capital Village project. The environmental issues were adequately addressed and this project will not create any significant adverse impact on the environment.

2. Approve the Design Review amendment to the project Conditions of Approval, supported by the following:

a) Finding

The proposed project is consistent with the objectives of the General Plan, complies with applicable CVSPA provisions and Rancho Cordova Design Guidelines.

Evidence

The proposed project is consistent with the designated Townhome District within the CVSPA document. The design of the "Fusion" townhomes are consistent with the Urban – Live/Work housing type which is intended to provide an urban backdrop to The Village Green park – the centerpiece of the Capital Village project. The proposed amendment to the Conditions of Approval will allow the three buildings immediately to the north of the park to be constructed and will complete the "enclosure" of the park space by allowing the three buildings to be constructed creating the "wall" to this large outdoor "room".

b) Finding

The proposed architecture, site design, and landscaping are suitable for the purposes of the building and the site and will enhance the character of the neighborhood and community.

Evidence

The Fusion design is a variation on the original Design Review approval, but the character of the architecture remains consistent with the original approval. This Design Review amendment allows three Fusion buildings to be constructed around the project's central park, completing this portion of the project. Without this amendment these buildings may not be built for many years, leaving vacant lots and potentially creating visual blight.

c) Finding

The architecture, including the character, scale and quality of the design, relationship with the site and other buildings, building materials, screening of exterior appurtenances, exterior lighting and signing and similar elements establishes a clear design concept and is compatible with the character of existing or anticipated buildings on adjoining and nearby properties.

Evidence

The proposed change to the Conditions of Approval allows the completion of the project utilizing the Fusion townhome design, which is a variation on the original design of the "Villas" townhomes. The Fusion design incorporates the elements of the adjacent buildings and while utilizing different building forms, heights and architectural elements, than the Villas design, the Fusion design is compatible. The massing, placement of architectural elements, use of building materials and the color palette create a consistent design relationship between the "Fusion" and the "Villas" designs. The different building designs benefit the visual diversity of the project by create a streetscape variety with façade articulation, building massing, different roof lines and façade elements.

d) Finding

The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation.

Evidence

The home designs will not change the circulation of the site from the original design review approval. No conflict will be created between vehicles, bicycles, and pedestrians.

e) Finding

The residential subdivision is well integrated with the City's street network, creates unique neighborhood environments, reflects traditional architectural styles, and establishes a pedestrian friendly environment.

Evidence

The new design does not change this aspect of the project and this finding is met.

BE IT FURTHER RESOLVED, the City Council of the City of Rancho Cordova approved the project subject to the submitted plans in **Exhibit B**, subject to required amendments, and Conditions of Approval in **Exhibit A**.

PASSED AND ADOPTED by the City Council of City of Rancho Cordova on the ____ day of ____, 2009 by the following vote:

AYES:

NOES:

RECUSED:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

Conditions of Approval

	Timing/ Implementation	Enforcement/ Monitoring	Verification (date & Signature)
1.	The project shall be constructed in substantial compliance with the Design Review Package for the Fusion architectural designs, including Landscape Plans approved as part of the original Capital Village approval (RC 04-123).	Planning	
2.	The Applicant shall hold harmless the City, its Council Members, its Planning Commission, officers, agents, employees, and representatives from liability for any award, damages, costs and fees incurred by the City and/or awarded to any plaintiff in an action challenging the validity of this permit or any environmental or other documentation related to approval of this permit. Applicant further agrees to provide a defense for the City in any such action.	Planning	
Prior to Issuance of Building Permits			
3.	The homes and landscaping shall be reviewed for architectural, site and landscape design consistency with the approved design review documents, and approved by the Planning Director.	Planning	
4.	A color palette shall be submitted for review and approval by the Planning Director that will create a transition color scheme when the Villas are adjacent to the Cottages and Brownstones (not applicable to property south of International Drive that is zoned CVSPA - Townhome). Identified as a "▲" on Figure 1	Planning	
5.	The revised design of the Villas is approved for all lots zoned Townhome District. as accordance with the approval criteria listed below. Each phase of the development will be pre-plotted and approved before each proposed phase. The approval criteria shall be used for each phase: - A minimum of two live-work units shall be provided in each building adjacent to the central park (Atherstone Drive) and the central east-west roadway (Tower Park Drive) that allow for the conversion of the lower level space to commercial or office use. - If feasible, all of the air-conditioning units for the three six-unit structures that face the park shall be located on the roof to reduce noise and visual impacts in this location. . If not feasible, other measure shall be	Planning	

Conditions of Approval

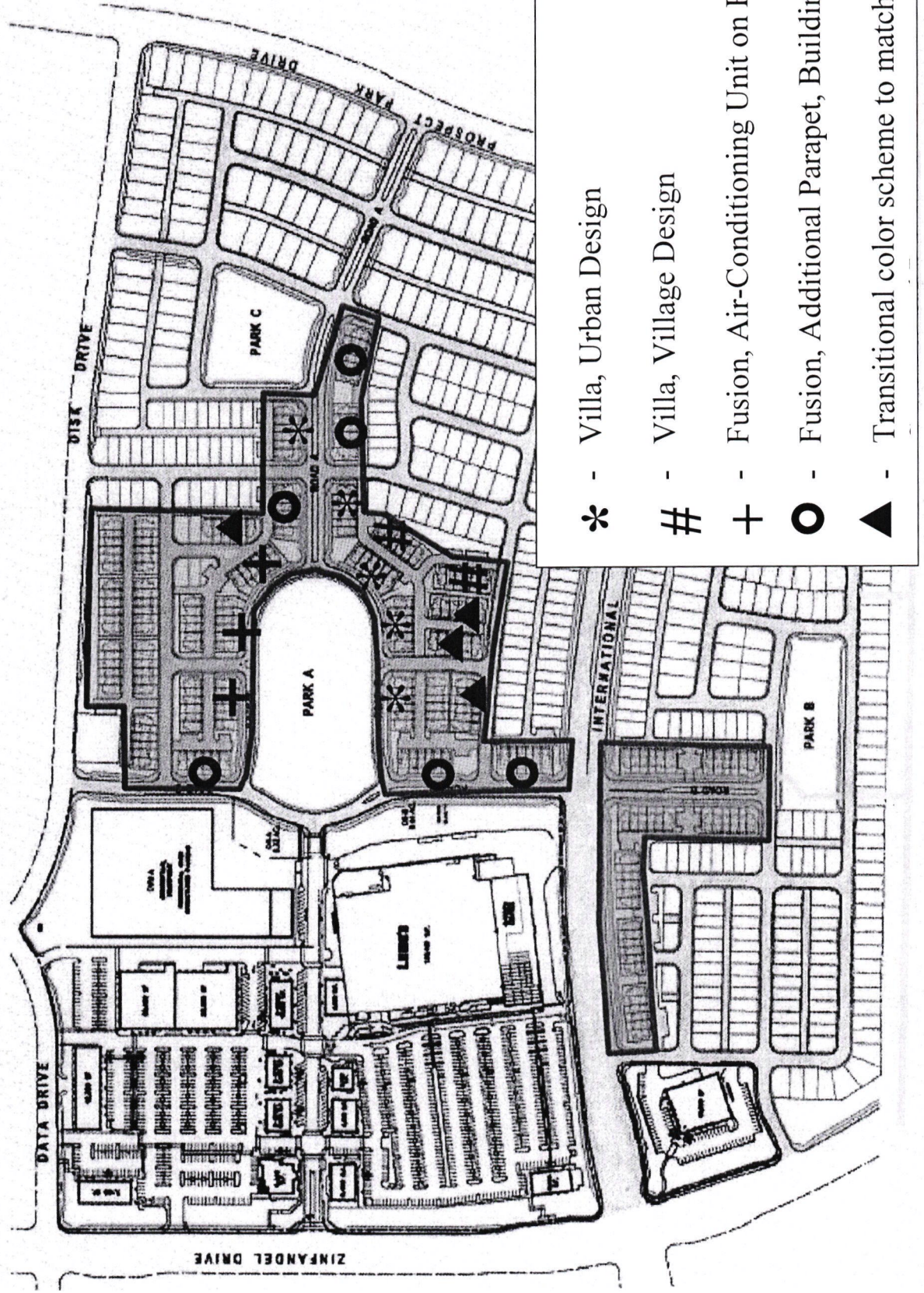
	Timing/ Implementation	Enforcement/ Monitoring	Verification (date & Signature)
identified and approved by the Planning Director to minimize noise and visual impact. Additional measure shall be reviewed and approved by the Planning Director to reduce the visual impact from mechanical equipment in front of these units. These units are identified with the "▲" on Figure 1. • Provide a minimum of 25'-0" parapet height for all buildings facing Tower Park Drive, Atherstone Drive and Bridgeway Drive. Identified as an "O" on Figure 1. • Use Building 2 from the design review approval package (three-story elements in the center of building) along Tower Park Drive and Bridgeway Drive. Identified as an "O" on Figure 1. • Use the color scheme created to satisfy COA#4 above on Villa buildings that are adjacent to the Cottages and Brownstones. Identified as a "▲" on Figure 1. • Identical building facades shall not be placed side-by side along the street face. • Two of the same color scheme (per unit or per building) shall not be placed next to each other. • Minor deviations to facade details are permitted, as approved by the Planning Director, if the deviations result in additional variety to the streetscape.			
	Prior to Occupancy Permit		
6. An inspection of the finished building, colors and site amenities shall be conducted by the Planning Director. This review shall be based on the approved design booklet, including installation of all façade detailed on all four elevations of the proposed homes.	Prior to Occupancy	Planning	
7. All landscaping shall be planted according to the approved landscape plan.	Prior to Occupancy	Planning	
8. Internally illuminated address numbers shall be displayed on all residential units within the project site. The following standards shall apply:	Prior to Occupancy	Planning	

Conditions of Approval

	Timing/ <u>Implementation</u>	Enforcement/ <u>Monitoring</u>	Verification (date & Signature)
• The house number shall be displayed on the closest architectural element facing the street. • Address numbers shall be a minimum of four inches in height. • The internally illuminated numbers shall be from a common electrical source using low-voltage electrical current. • The numbers shall be from the same manufacturer and with the same model number used on each residential unit. • Instructions on how to change the bulb should be provided to the homeowner.			

Conditions of Approval

Figure 1 – Special Design Requirements within CVSPA, Town Home District



Model Townhomes
Existing Townhomes
New Townhomes



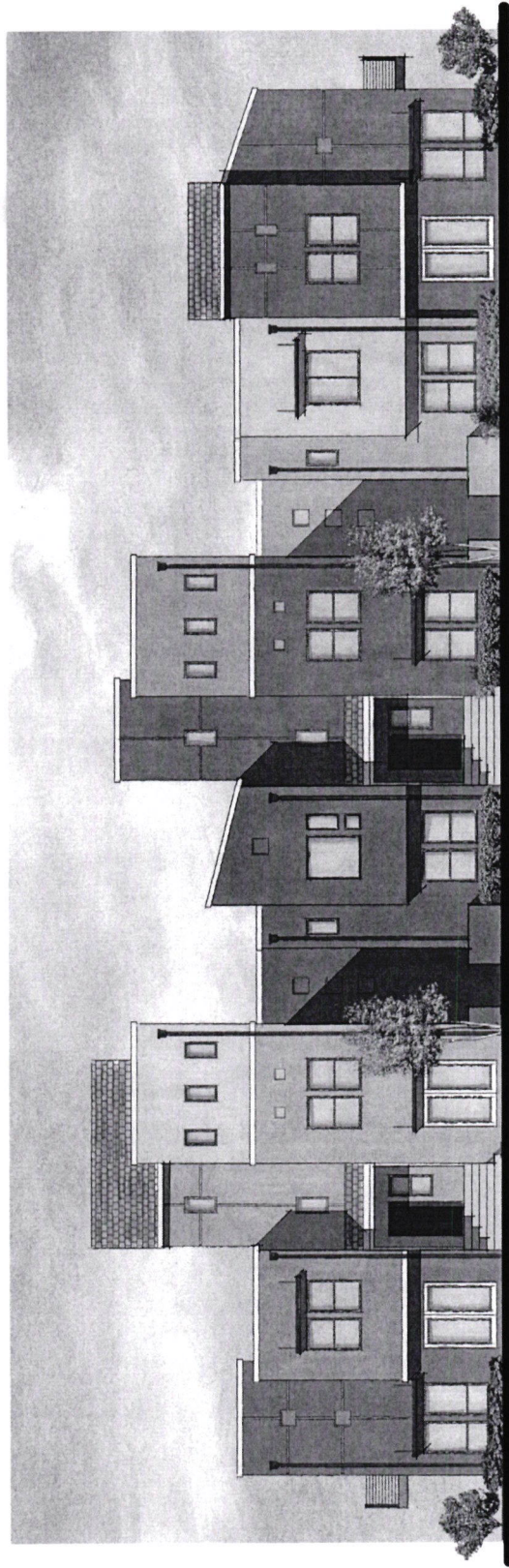
Site Plan

CAPITAL VILLAGE

EXHIBIT B



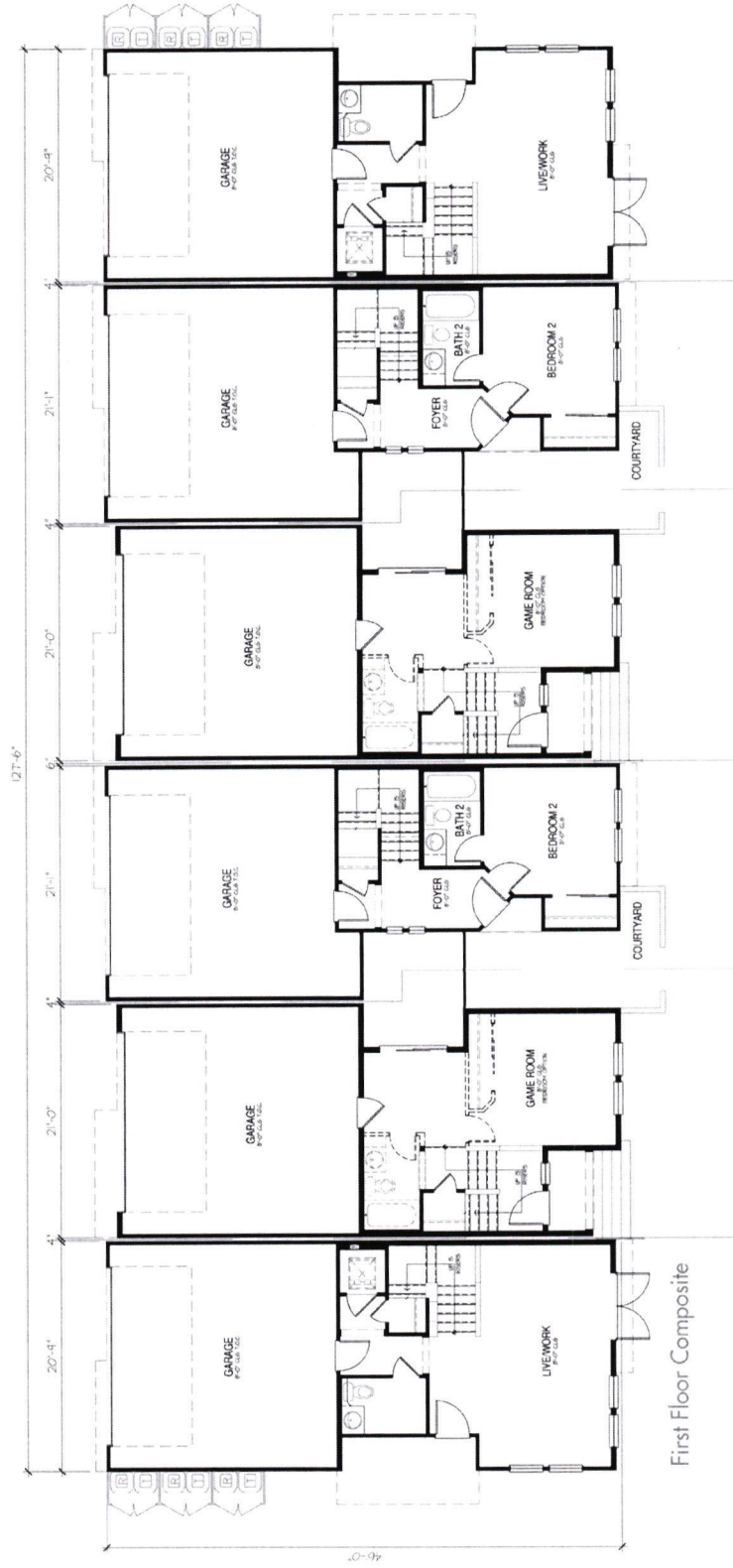
05507060



Front Elevation

Building 1

CAPITAL VILLAGE



Building 1

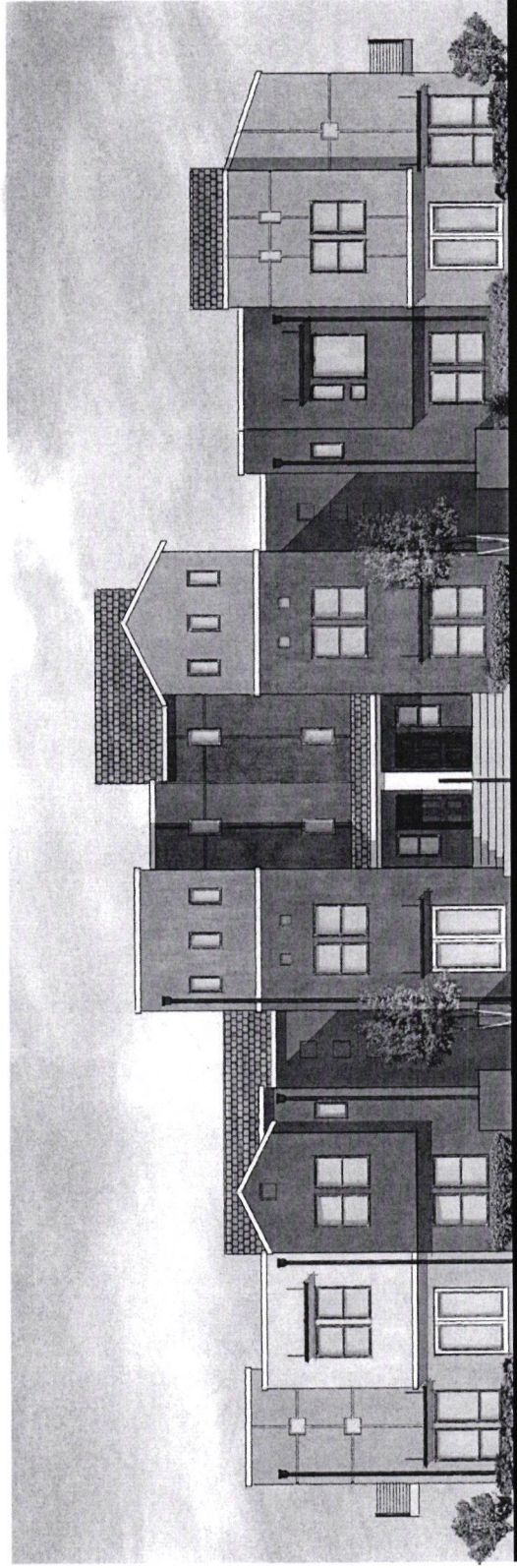
CAPITAL VILLAGE

*A/C units to be mounted on roofs



05507060

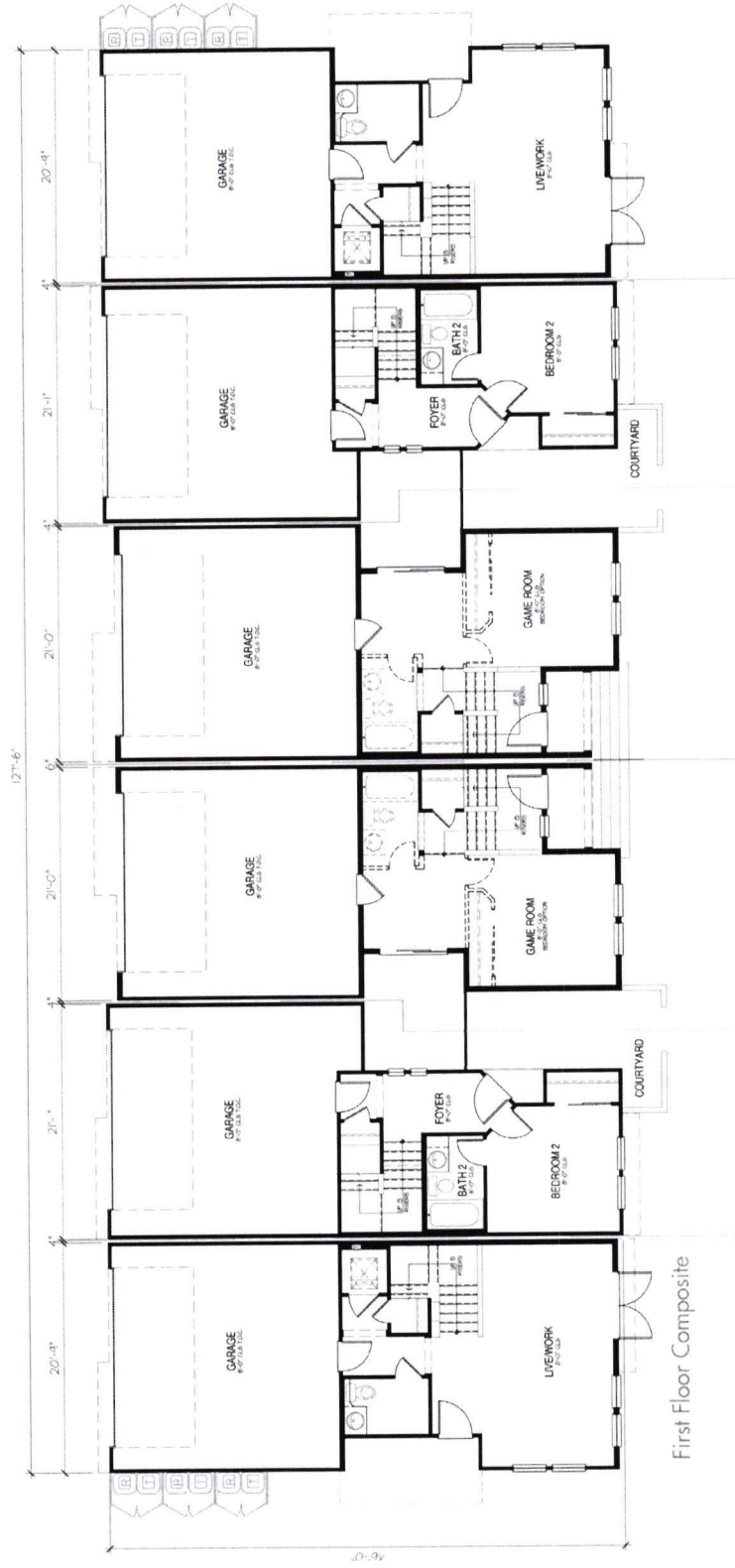




Front Elevation

Building 2

CAPITAL VILLAGE



Building 2

CAPITAL VILLAGE

*A/C units to be mounted on roofs



MEMORANDUM

DATE: October 5, 2009
TO: Honorable Mayor and Council Members
FROM: Jeff Beiswenger, Senior Planner
SUBJECT: Letters and emails received regarding the Capital Village Fusion Townhomes Design Review Amendment – Project No. DD6590



Attached, please find the following letters and emails regarding the Capital Village Fusion Townhomes Design Review Amendment submitted for the Planning Commission's consideration

- A. Michelle Kersten email & attached letter – August 2, 2009
 - 1. Previous letter submitted August 29, 2007
- B. Lynn & Phillip Nicholls letter – August 6, 2009
- C. Kyle Wicky email & attached letter – August 7, 2009
- D. Anastacia Shaver email & attached letter – August 9, 2009
- E. Alberto Odor email – August 11, 2009
- F. Rubi Carrillo email – August 11, 2009
- G. Cathy Arellano email – August 11, 2009
- H. Randy Montagne email – August 12, 2009
- I. Sonia Carrillo email – August 13, 2009
- J. Christopher Lott email & attached petition – September 8, 2009
- K. Manuel & Carol Leon email – September 8, 2009
- L. Sandra Masias email – September 9, 2009
- M. Petition submitted by Jim Stich of Beazer Homes – September 10, 2009

Jennifer Bennett

To: Kersten, Michelle M.
Subject: RE: Changes to Capital Village

From: Kersten, Michelle M.
Sent: Sunday, August 02, 2009 8:35 PM
To: 'dskoglund@cityofranchocordova.org'; 'Ken.Cooley@cityofranchocordova.org'; 'lbudge@cityofranchocordova.org'; 'rmcgarvey@cityofranchocordova.org'; 'dsander@cityofranchocordova.org'
Cc: 'pjunker@cityofranchocordova.org'
Subject: Changes to Capital Village
Importance: High

Honorable City Council Members,

Please find attached a letter in response to the notice I received of a public hearing to review the design of Capital Village of which I am a resident. As I am unable to attend the hearing, please consider my written comments in lieu of my ability to present my views publicly. Thank you for your time and your service to the community of Rancho Cordova.

Sincerely,

Michelle Kersten, M.S.
State Director
California MENTOR

7801 Folsom Blvd, Suite 375
Sacramento, CA 95826

Phone: (916) 383-9785 ext.23
Fax: (916) 383-9793
Cell: (916) 267-5664
Website: www.thementornetwork.com

 **Think before you print**

Notice: This email may contain privileged or confidential information and is for the sole use of the intended recipient(s). If you are not the intended recipient, any disclosure, copying, distribution, or use of the contents of this information is prohibited and may be unlawful. If you have received this electronic transmission in error, please reply immediately to the sender that you have received the message in error, and delete it. Thank you.

Michelle M. Kersten
10878 Atherstone Drive
Rancho Cordova, CA 95670
(916) 267-5665

August 2, 2009

City Council
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

RE: Capital Village Fusion Townhomes – Project No. DD6590 – Design Review Amendment

Honorable Council Members,

I received notice that The Planning Commission is holding a public hearing on 8/13/09 to consider the above stated application. It is my understanding that if approved, this application would revoke the decision previously made by The City Council that Beazer uphold the original Villa design for the 3 townhome buildings to be built on The Village Green. As I am unable to attend this public hearing, I am writing to express my concerns should this application be approved.

Attached you will find the original letter sent from the home owners in Capital Village to The City Council in 2007. Please review the original letter as it is the foundation for the subsequent points listed below and the most comprehensive summary of our concerns.

In addition to the statements outline in the original letter, I would like to add the following:

- The home owners of Capital Village acquiesced to the Beazer's 2007 petition to change the design of the Villas to the more affordable Fusion to assist the builder in being able to continue building even in difficult economic times. The end result is that homes have sold very quickly in Capital Village due to the significantly reduced pricing that Beazer has been able to offer on these more affordable models.
- The home owners only request was that Beazer keep the buildings around The Village Green and on Tower Park in the original design to preserve the integrity of the community and ensure that it still looked like the award winning development home owners had bought into. During the 2007 City Council meeting where this was reviewed, home owners listened to Beazer and went even a step further to accommodate the builder. The original request was for 5 buildings to remain in the original model. The City Council expressed support for 5 buildings to remain the same. However, home owners went a step further and reduced this request at the meeting from 5 buildings to just the 3 buildings on The Village Green.
- The home owners of Capital Village have been more than reasonable in regards Beazer's design changes in spite of the fact that it has lowered the property values of those who bought the original models and has negatively impacted the look & design of the community. We believe that the only

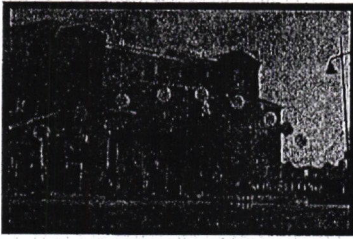
way to preserve some of the integrity of the original design and concept is to keep the 3 buildings on The Village Green in the original style with matching 3 story buildings on both sides of the park.

- Beazer is using scare tactics to elicit cooperation from home owners by stating that if they are not allowed to build the Fusion Townhomes on The Village Green that they will not build at all, the lots will remain empty, and that home owner's property values will decrease as a result. Many home owners who are in favor of the original units being built have stated that they will not oppose Beazer because they feel these threats are real and are concerned that the development will be left unfinished. Some have even stated they will speak in favor of the application even though they are not because they are so fearful the community will remain unfinished.
- Beazer has stated that they cannot afford to build the original design as it costs \$20 per square foot more to build. However, this should not be looked at by potential profits/losses on these 3 buildings, but rather should incorporate all the cost savings that were made possible by the concessions made by home owners who did not oppose the development of Fusion as long as the 3 buildings on The Village Green stayed in the original design.
- If you remember, Beazer stated that they would increase the height of the Fusion buildings built on Tower Park to better blend into the existing 3 story structures. They did not keep their word, therefore, any further promises they may make should take this track record into consideration.
- I implore that The City Council uphold their decision to keep the buildings on The Village Green in the original Villa design with no exterior modifications allowed. If the builder can save costs by changing the interior design, that would be reasonable.
- I further suggest that The City Council make it a requirement that Beazer finish the project as planned and that a restriction be placed on further development of the southern property by Beazer or any developer that may acquire the property until this development is completed as agreed upon.
- Ultimately, the desired outcome is a finished community that matches the original design concept and that home owners and the community at large can be proud of.

Thank you for your consideration of this matter. Even though I am unable to attend the meeting, I feel confident, based on past interactions, that this City Council is invested in this matter and will make a wise decision both for the home owners in this community as well as the city of Rancho Cordova.

Sincerely,

Michelle Kersten



CAPITAL VILLAGE OWNERS

August 29, 2007

City Council
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

RE: Capital Village "Villas" Design Review Amendment

Honorable Council Members;

We, the residents of Capital Village, are writing you today to express our disappointment in the recent Planning Commission approval of the design review amendment for the "Villas" at Capital Village. While we support the overall design and concept of the proposed buildings, we stand united in saying that the new buildings are incompatible with the existing Villas development. We urge you to "pull" this item up for Council consideration at the next available meeting and hear our arguments on the record. We support the addition of a condition of approval that would require Beazer to develop the three remaining lots fronting Tower Park (also known as the Village Green) along Atherstone Drive and two additional lots along Tower Park Drive with the existing development. All remaining lots could be developed with the new plans.

Let us take a moment to explain why we want this.

Why we bought in Capital Village:

We all bought in Capital Village because we believe in the design concept. Capital Village is a community that promotes interconnected neighborhoods in an urban living lifestyle. It is the very essence of Rancho Cordova's "City Life, Reinvented" motto. By its very design, it creates a sense of community and belonging that very few developments in the Sacramento area possess. Through the unique charrette process that created Capital Village, many of the intricate design issues were worked out collectively and collaboratively between the City, other agencies, the developer, and design professionals. It created a flagship smart growth traditional neighborhood development in the heart of a new city.

The Village Concept:

One of the key components of Capital Village is the "Villas" project. This product line was intended, as far back as the charrette process that created Capital Village, as three-story, urban, mixed-use structures. With their rich color palette, orientation to the street, and unusual three-story design, the Villas represent a unique product that brings people from all over the area to see for themselves. The Villas, as designed in the original

charrette and executed through the original design review approvals, lives up to the three story, urban concept for the product line.

Design Consistency and Design Guidelines:

We do not deny that the proposed redesign is consistent with the City's Design Guidelines for Residential development (as identified in the Planning Commission staff report). The buildings include articulated and varied roof lines, detailing on walls, provision of private outdoor spaces through balconies, and other features that are appealing. However, the new design fails to provide consistency with the Design Guidelines for development compatibility (page 2:88 of the Guidelines). Specifically, the Design Guidelines state that "new development should relate to surrounding architecture by using common elements of scale, color, rhythm, and proportions to strengthen and contribute to the character of the City." Further, "compatibility is based on massing and scale of structures, building siting and orientation, architectural character,...., and other features that help to define the site." "... (B)uildings should not deform or adversely affect the positive composition of the façade or be out of scale with (surrounding) buildings." (2:89-90, emphasis added)

As you are aware, there are already seven buildings, including the model homes, developed under the existing plans. With the exception of the model homes, all of these buildings have been constructed along the southern side of the park (along Atherstone Drive and Tower Park Drive). This has created a design consistency within the development that would end up being exclusive to just one corner of the community. We would submit that the loss of the third story for the majority of the units represents a disconnect in the scale and proportion of the "old" and new buildings. It negatively affects the massing of buildings along the streetscape by segregating the existing three-story units. A more appropriate approach would be to provide design consistency along the primary roadways of the community (Atherstone and Tower Park Drives) and allow surrounding development to be less intense, thereby stepping down the built environment as you move away from the Tower.

Neighborhood Compatibility (The Tower):

One of the reasons the Villas were originally designed as three-story structures was because of their relationship with the Tower. This structure, the icon of the Capital Village development and landmark within the City, extends more than 60 feet into the air. By having three-story development directly across the street from the Tower, the surrounding residential development helps to "anchor" the Tower into the community and provide a relationship within the built environment. It also provides a transition from the retail center to the more traditional single family buildings on the east side. If the residential buildings are reduced to a height of two stories, it will lessen this relationship.

Beazer's Track Record:

While not directly related to the design change, we would like to remind the Council of Beazer's track record with Capital Village.

1. The original design was inconsistent with the City's vision for itself now and in the future. It took a team of designers and architects, at the City's request, to conduct a design charrette that created a design consistent with the City's vision. That vision is now being threatened by these changes.

2. Beazer claimed that they would personally develop the commercial portion of Capital Village, providing design consistency and an interrelationship within the project that would be unique in the area. Within months of closing on the property, Beazer sold the commercial portion off to a typical suburban retail developer. It took months of effort on the City's part to get the design of the retail to come anywhere close to what was outlined in the approved plan.
3. Completion of the residential units has been delayed repeatedly for nearly two years. While not all of the delays are Beazer's fault, they, or their subcontractors, have given the appearance of the project being stuck in neutral. Repeated requests from us for updated information during the development process were consistently withheld. Only once were we given a written update on the project, promising to update us on a biweekly basis. We have never been contacted since.
4. We were not notified by Beazer of this redesign, nor were we offered the opportunity to offer input prior to Planning Commission. Any new homeowners who are not yet receiving mail were likely unaware of the Planning Commission meeting, as we received notification from the City via mail. We would speculate that over half of the residents do not even know what is going on in their community.
5. While it is not our intent to spread rumors, we have heard from multiple sources that *all four* products within Capital Village are being resubmitted to the City for review. Clearly this gives the impression of a lack of faith on the part of Beazer in the design, character, and intent of the Capital Village vision.

Beazer's Argument:

During the Planning Commission meeting, Beazer's representatives argued that the basis for the resubmitted was a continued financial loss from construction of the existing design. We ask, simply, why the community should suffer from Beazer's mistakes for purchasing the property at the peak of the market and not bringing the product to market in a timely manner.

During the meeting, Beazer showed a visual simulation of the streetscape with the existing and new buildings along Atherstone Drive. For us, the residents of Capital Village, this did not alleviate our concerns. First, many of the buildings were obscured by vegetation – more than 15 years worth of growth. As residents, we will have the daily view across the park and along our streets for many years to come of a design that is inconsistent with our own homes. Second, the simulation included many embellishments that will not be included in the final construction. These include stone cross walks, center islands at intersections, and additional landscaping. With these additional features as part of the simulation, how can we be sure they have not embellished anything else, such as the buildings?

Our Recommended Solution:

Our recommendation is simple. We recommend the addition of a condition of approval that would require Beazer to develop the three remaining lots fronting the park and two additional lots along Tower Park Drive with the existing design, creating a mirror image across the park. All remaining lots, both north and south of International Drive, could be developed with the new design. This would allow Beazer to resume construction of this product line while offering a wider selection of products to potential customers. It would also provide for design consistency along the park – our paramount concern. We

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understand that development of these five sites may be postponed while other phases of the project are constructed. While this disappoints us, we would rather see the final product provide design consistency than rush to completion with a disparate solution.

Thank you for considering our views on this matter. We invite each of you to come out and tour the community with us and visualize what the development will look like with one side of the park developed with three story homes and the other with two story homes. We look forward to your consideration of this project at the next City Council meeting.

Sincerely,

Joel Patterson
Kyle Wicky
Steven Singh
Chelsea Morris
Heidi Mortensen
Michael Smith
Sharon Shifer
Tim Williamson
Travis Olsen

cc:
Paul Junker, Planning Director
Jeff Beiswenger, Senior Planner
The Grapevine Independent
SacBee

August 6, 2009

City of Rancho Cordova
Planning Department

To Whom It May Concern:

As homeowners in Capital Village, my husband and I want to voice our support of Beazer's revised plan to build Fusion Homes on the three empty lots fronting Village Green Park along Atherstone Drive. We understand that the current plan approved by the City of Rancho Cordova is for the homes to be built as Villas.

We feel that the two home products are quite similar and that each fits well within the look and feel of the community. There are places within the community now where these two styles of homes are in proximity to each other and blend well with each other and the surrounding different home products. We chose to live in this community in part because of the mix of homes and the uniqueness of this community.

We understand that market factors such as what buyers want and the downturn in home prices were involved in the decision to stop building Villas and switch to Fusion. We hope that the Planning Commission at their meeting on August 13th will recommend approval of the construction of Fusion on Atherstone Drive facing Village Green Park.

Sincerely,

Lynn Nicholls

Phillip Nicholls

Lynn and Phillip Nicholls
Capital Village, Rancho Cordova

CC: Beazer Homes

Jennifer Bennett

From: Kyle WICKY [kwicky@earthlink.net]
Sent: Friday, August 07, 2009 9:35 AM
To: Paul Junker; Jennifer Bennett
Cc: Dan Skoglund; Ken Cooley; Linda Budge; Robert McGarvey; David Sander
Subject: Capital Village Fusion Townhomes - Project No. DD6950 - Design Review Amendment
Attachments: Capital Village - Planning Commission Letter.pdf; ATT455754.txt

Honorable Planning Commission and City Council Members,

Please find the attached letter regarding the "Capital Village Fusion Townhomes - Project No. DD6950 - Design Review Amendment". Please consider my written comments and feel free to contact me with any questions. Thank you for your time and consideration.

Sincerely,
Kyle Wicky
10854 Atherstone Drive
Rancho Cordova CA 95670
916-802-7887



KYLE WICKY

10854 Atherstone Drive
Rancho Cordova, CA 95670

T 916.802.7887
kwicky@mognot.com

August 7, 2009
Rancho Cordova Planning Commission
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
CC: City Council

RE: Capital Village Fusion Townhomes - Design Review Amendment

Dear Esteemed Members of the Planning Commission-

I am writing you in opposition to Beazer's proposal to build the "Fusion" style townhomes on the remaining three lots along the Village Green in the Capital Village Community. As a resident of one of the "Villas" style townhomes and an active participant in the community, I am deeply concerned with the news that Beazer has chosen to disregard the concerns of Capital Village residents and the City Council. As you may recall, Beazer came before the City Council in 2007 and asked to complete the remaining unbuilt townhomes with modified two and three story buildings, as opposed to the all three-story Villas. A group of Capital Village residents organized, concerned about the impact to the communities' design aesthetic and worried about Beazer's lack of commitment to the project. Originally, the residents were asking for five buildings along Tower Park and the Village Green to remain in the Villas style. However, we were understanding of Beazer's economic situation and sincerely wanted to work with the developer. As a result, the residents conceded two of the buildings along Tower Park in hopes that the remaining three along the Village Green would be completed as originally envisioned. At the meeting, we learned that the City Council shared our concerns and ruled that Beazer was to complete the three buildings as originally planned. At the time of the bargain, Beazer had also promised to raise the parapet height of the two remaining buildings along Tower Park so that they would appear more consistent with the massing of the Villas. Unfortunately, this promise was never met. Now it appears that Beazer is once again attempting to go against the wishes of residents and the City Council.

As an Architect by profession, I have a direct investment in the built environment and as a resident of Rancho Cordova, I care deeply about the development of our growing community. As we have watched Capital Village evolve and the Village Green become a hub of activity from the success of "Kid Days" to the annual Christmas Celebration and numerous free concerts in the park, the sense of community that has developed as a result is astounding. I'm concerned that Beazer's insistence to build the Fusion on the opposite side of the park from the Villas will diminish this sense of community and conflict with the urban fabric that is already in place. For example, the Fusion buildings have "hidden" entryways that do not engage the sidewalk or the community as a whole, leaving residents detached from their neighbors. Another concern is that the mix of two and three stories across from buildings that are entirely three stories would leave the park visually disjointed and lacking in a unified design vocabulary. I am understanding of budgetary constraints, but Beazer has already saved an enormous amount of money through multiple design changes and variances from the original plan. It seems that three buildings will not have that significant of an impact, especially if further savings can be achieved through interior cost saving techniques.

I am also extremely troubled by Beazer's use of intimidation with residents by insisting that if they will not be allowed to build the Fusion along the Village Green that they will forgo any further development and abandon these lots entirely. I have learned that Beazer has asked several residents to speak in favor of the Design Review Amendment using this threat as a means of gathering support. I have personally spoken with several residents who have conveyed that they do not support Beazer's plan, but are worried that Beazer will abandon the project if asked to complete the remaining three townhomes in the Villas style. Not only is this threat irresponsible for Beazer to imply, but I also believe it to be untrue. This Community is incredibly popular and has maintained strong sales even in this rough economic environment. One of Beazer's original reasons for the design change (a mix of two and three stories) was because they believed three stories to be difficult to sell. It is my understanding that the three-story units within the Fusion Townhomes have been the quickest to sell. It has also come to my attention that when prospective residents have come into the sales trailer asking about the Villas,

Beazer representatives have told them that the Villas have an undesirable spacial layout, leading me to believe that they never intended to follow through with the City Council's ruling in the first place.

I strongly encourage the Planning Commission to rule in opposition to Beazer's proposal and uphold the 2007 ruling from the City Council. There have been rumors that Beazer intends to sell the undeveloped piece of property on the opposite side of International. I would encourage the Planning Commission to condition this property so that no development can occur unless the three buildings are completed in the Villas style. This would limit Beazer's option to sell the land and if their intention is to still develop the land themselves, it would encourage them to finish the three Villas in order to start development across International.

Thank you for your consideration and commitment to the City of Rancho Cordova and all of its residents.

Sincerely yours,

Kyle Wicky

Jennifer Bennett

From: anastacia shaver [anastaciashaver@hotmail.com]
Sent: Sunday, August 09, 2009 6:41 PM
To: Paul Junker; Jennifer Bennett
Cc: Dan Skoglund; Ken Cooley; Linda Budge; Robert McGarvey; David Sander
Subject: RE: Capital Village Fusion Townhomes - Project No. DD6950 - Design Review Amendment
Attachments: Beazer Amendment.doc

Dear Planning Commission and City Council Members,

Please find the attached letter voicing my concerns regarding the Capital Village Fusion Townhomes-Project No DD6950-Design Review Amendment. Please consider my submitted comments and feel free to contact me with any questions. Thank you for your attention to this submission.

Kindest Regards,
Anastacia Shaver
10874 Atherstone Drive
Rancho Cordova, CA 95670
Rancho Cordova CA 95670
916-802-7887

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August 9, 2009

Anastacia Shaver
10874 Atherstone Drive
Rancho Cordova, CA 95670

Rancho Cordova Planning Commission
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

CC: City Council

RE: Capital Village Fusion Townhomes Design Review Amendment-Project No. DD6950

Dear Members of the Planning Commission-

I am writing to express my opposition to the proposed design amendment placed to the Planning Commission by Beazer Homes. This amendment to the community design would allow Beazer to build the remaining three lots bordering the Village Green of the Capital Village community with the "Fusion" design plan and not the agreed upon "Villas" design.

I have been a resident of the Capital Village community for two years and own a "Villas" style townhome. I looked at many locations in the greater Sacramento area when I was preparing to relocate from Phoenix in August 2007 to begin my medical practice with Mercy Medical Group. I specifically chose the Capital Village community because of the continuity of design between the townhomes, brownstones, and houses and the inclusion of parks into the central areas of the community. These elements along with the plans to develop the commercial area around Capital Village were attractive to me as a young professional and first time home buyer. I felt this new growth had the potential to help Rancho Cordova to develop into a premier community in the Sacramento area.

In September of 2007 I learned of the builder's proposition to the Rancho Cordova City Council to change the design of the community. I was dismayed that Beazer never informed me, during the sales process or as a new home owner in the community, of the drastic alterations they were proposing to make to my new neighborhood.

The proposed change to build the cheaper "Fusion" style two and three story townhomes met with firm opposition from our community. Our concern was the impact this drastic design change would have on the cohesiveness of our overall community and the aesthetics of the city's Village Green park. As you may recall, a group of Capital Village residents organized against the proposed design change brought before the City Council in 2007.

Originally, the residents were asking for the City Council to require the five buildings along Tower Park and the Village Green to remain in the Villas style to allow the central areas of the community, used by homeowners and residents of Rancho Cordova, to retain a cohesive appearance. However, Beazer's economic situation did not fall upon deaf ears and we as residents wanted to work with the developer to complete our community. As a result, the residents conceded the two buildings along

Tower Park to the "Fusion" style with the agreement that the remaining three along the popular Village Green would be completed as originally envisioned.

At the 2007 meeting, it was clear that the City Council shared these concerns and ruled that Beazer was to complete the three buildings along the Village Green as originally planned. Beazer had also agreed to raise the parapet height of the two remaining buildings along Tower Park so that they would appear more consistent with the skyline of the Villas but, unfortunately, this promise was never met. Now it is clear that Beazer is once again ready to defy their agreement with the residents of our community and the City Council of Rancho Cordova with a new request to amend the building plan for the three remaining lots on Village Green.

The request to build the "Fushion" style townhomes on the remaining three lots is, according to Beazer's representatives, based solely on financial constraints in the current market. It is clear that the "Fusion" homes are cheaper to construct but I contend that the compromise in 2007 to build out the majority of the community in the cheaper "Fusion" townhomes has saved Beazer a large enough sum of money that they can afford to take the potential financial loss on these three structures in order to abide by the agreement reached in 2007.

Both in written form and verbal notification representatives of Beazer have indicated that, if the amendment to build the cheaper "Fusion" townhomes does not pass, they would be forced to leave those lots vacant. This has left homeowners concerned that an unfinished community would impact property value. I find Beazer's use of this intimidation tactic to be an irresponsible approach to the situation. I personally know of several residents who do not favor the amendment but will not speak out against it for fear Beazer will follow through with the threat to leave the community unfinished. In order to put a stop to these underhanded tactics I respectfully ask the Planning Commission to uphold the original agreement AND condition the remaining Beazer owned property along International such that no development can occur unless the three buildings are completed in the "Villas" style. This would restrict Beazer from either developing or selling their additional land until they finish construction on the three "Villas" townhomes.

I care deeply about the development of our growing community and have enjoyed watching the maturation of Capital Village and the Village Green into a central gathering place for holiday celebrations, concerts, and cultural events. The residents of Capital Village and the citizens of Rancho Cordova deserve to have this award-winning community completed without any further dilution of the urban fabric that surrounds its focal area. I encourage the Planning Commission to vote in opposition of Beazer's amendment request and uphold the original the 2007 decision made by the City Council of Rancho Cordova with the above mentioned condition.

I thank the esteemed members of the Planning Commission and the Rancho Cordova City Council for your time and attention towards this issue.

Kindest Regards,

Anastacia Shaver

Jennifer Bennett

To: Jeff Beiswenger
Subject: RE: Support for Fusion design

From: Alberto Odor [mailto:alberto@info-med.org]
Sent: Tuesday, August 11, 2009 12:50 PM
To: Jeff Beiswenger
Cc: Dan Skoglund
Subject: Support for Fusion design

Jeffrey S. Beiswenger AICP
Cordova Senior Planner

Dear Mr. Beiswenger,

As a homeowner of a Fusion Townhome at Capital Village, I would like to support the Fusion Design as proposed in:
<http://cityofranchocordova.org/index.aspx?recordid=1969&page=343>

Sincerely

=====
Alberto Odor, M.D.
Associate Adjunct Professor
UC Davis Medical Center
CTSC Annex
2921 Stockton Blvd., Suite 1400
Sacramento, CA 95817
Tel: 916-703-9198
Fax: 916-703-9116
=====

Jennifer Bennett

To: Jeff Beiswenger
Subject: RE: Planning Commission Meeting, 8/13/2009 6:00 PM - Agenda Item 3A

From: Rubi Carrillo [mailto:rubi_carrillo@sbcglobal.net]
Sent: Tuesday, August 11, 2009 4:04 PM
To: Jeff Beiswenger
Cc: Dan Skoglund
Subject: Planning Commission Meeting, 8/13/2009 6:00 PM - Agenda Item 3A
Importance: High

Mr. Beiswenger,

I would like to take this opportunity to endorse the Beazer Fusion design that is up for review at the next Planning Commission Meeting. As a new resident in the Capitol Village Community and a Fusion home owner, I am in complete support of the new design. I would like to see my new community completed without any delays.

Thank you,
Rubi Carrillo
3147 Rushall Ct.
Rancho Cordova, CA 95670

Jennifer Bennett

From: Jeff Beiswenger
Sent: Thursday, August 13, 2009 11:57 AM
To: Jennifer Bennett
Subject: FW: Capital Village's Fusion Design

From: Cathy Arellano [mailto:cathy.arellano@sbcglobal.net]
Sent: Tuesday, August 11, 2009 9:05 PM
To: Jeff Beiswenger
Cc: Dan Skoglund
Subject: Capital Village's Fusion Design

Dear Gentleman:

My name is Cathy Arellano and I am a fairly new resident of the Capital Village community. I closed escrow approximately two months ago. I also happen to live in one of the Fusion townhomes. My address is 10915 Tower Park Drive. My townhome is directly across the street from one of the original Villa townhomes.

When I first saw the community, I couldn't tell there was a difference between the Fusion and Villa townhomes until someone pointed out the differences. The colors and design of the townhomes are complimentary to each other.

Also, I'd like to see the community complete instead of the lots being vacant until the real estate market turns.

I fully support Beazer's request to build the remaining lots in question to Fusion townhomes.

Regards,
Cathy Arellano
10915 Tower Park Drive



Jennifer Bennett

To: Jeff Beiswenger
Subject: RE: Endorsement of the Fusion Townhouse design

From: Montagne, Randal O [mailto:randal.o.montagne@intel.com]
Sent: Wednesday, August 12, 2009 4:09 PM
To: Jeff Beiswenger
Cc: Dan Skoglund
Subject: Endorsement of the Fusion Townhouse design

Dear Mr. Beiswenger:

My name is Randy Montagne, and I live in one of the Fusion Townhomes in Capital Village.

I am writing you to endorse the building of Fusion Townhomes in the remaining lots of the village.

While the Villas and Fusion designs are both very cool, it makes sense to build the more marketable Fusion Lots.

Best Regards.

Randy Montagne
10942 Tower Park Drive

Jennifer Bennett

To: Jeff Beiswenger
Subject: RE: Planning Commission Meeting, 8/13/2009 6:00 PM - Agenda Item 3A

From: Carrillo, Sonia [mailto:Sonia.Carrillo@Aerojet.com]
Sent: Thursday, August 13, 2009 4:18 PM
To: Jeff Beiswenger
Cc: Dan Skoglund
Subject: Planning Commission Meeting, 8/13/2009 6:00 PM - Agenda Item 3A
Importance: High

Mr. Beiswenger,

I am writing today to endorse the **Beazer Fusion** design at **Capital Village** so that our community can be completed without any delays.

While reading the Agenda document, I was surprised that a Capital Village neighbor stood against the new design. To be quite honest, the Fusion design is what attracted me to the Beazer Community & had the design NOT been altered, I would have bought a home in a different city. I had gone to look at the Villa's @ Capital Village but was unimpressed with their compartmentalized interior design, lack of any outside space (patio's) & boxy exteriors. I was very disappointed as the location was perfect in respect to where I work. A year later, I received notice of the new plan and was immediately impressed with the exterior design and the open floor plan (with patio's on every floor). Based on the popularity of the Fusion homes, I believe I am not alone in my opinion.

Address:

3147 Rushall Court
Rancho Cordova, CA 95670
(916)858-1613

Thank-you,

Sonia Carrillo

Aerojet
IT Systems Analyst
Engineering Applications
PO Box 13222
Sacramento, CA 95813
Office: (916)355-5438
Cell: (916)662-0239
E-mail: Sonia.Carrillo@aerojet.com

Jennifer Bennett

From: Chris Lott [clott01@gmail.com]
Sent: Tuesday, September 08, 2009 11:27 AM
To: Jeff Beiswenger; Jennifer Bennett; Paul Junker
Cc: Dan Skoglund; Ken Cooley; Linda Budge; Robert McGarvey; David Sander
Subject: Capital Village Petition (Project No: DD6590)
Attachments: Capital Village Petition_9-7-09.pdf

Good morning Jennifer, please forward this email and attachments to all members of the Rancho Cordova Planning Commission. Thank you.

Dear Honorable Members of the Rancho Cordova Planning Commission-

Please see the attached Capital Village residents' petition regarding the Capital Village Townhomes (Project No. DD6590) Design Review Amendment to be heard at this Thursday's Planning Commission Meeting. This petition reflects the substantial opposition to Beazer Homes' (the Applicant) desire to modify existing conditions of approval, which would allow Beazer to build the "Fusion" style townhomes on the 18 parcels north of Village Green Park. We (the petitioners) ask that the Planning Commission deny Beazer's request, and in order to encourage Beazer to complete the 18 parcels as originally intended, we also ask that the Planning Commission condition the undeveloped land South of International Drive (part of the Capital Village final map approval) to prevent Beazer, or any potential buyer, from developing this property until the 18 parcels are completed as originally intended.

Please note that all signatures are from Capital Village residents only, and while only about ten percent of residents in the entire community have been approached, 60 signatures have already been collected as of 9/7/09.

We would like to make this petition a matter of Public Record for Thursday's upcoming Planning Commission Meeting. Thank you for your time and consideration.

Christopher Lott

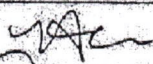
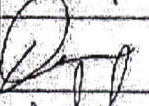
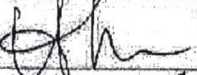
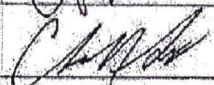
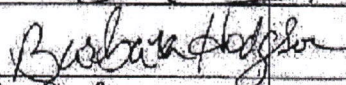
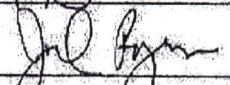
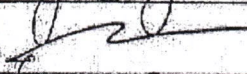
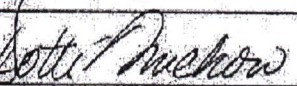
Capital Village – Design Review Amendment

PETITION TO THE CITY OF RANCHO CORDOVA

Rancho Cordova, CA

File # DD6590

Petition Summary & Background:	This petition is in response to and in statement of our opposition to the Design Review Amendment to modify the Conditions of Approval and allow Beazer Homes to build 3 "Fusion" style townhomes on 18 parcels north of the Village Green Park in Capital Village.
Action Petitioned for:	We the undersigned, are concerned residents of the Capital Village development, who urge the City of Rancho Cordova to rule against Beazer Homes proposal to build 3 "Fusion" style townhomes North of the Village Green and complete these 3 buildings as originally approved in the "Villas" style that exists South of the Village Green. Furthermore, we would ask that the City act to condition the undeveloped land South of International to prevent Beazer or any potential buyer from developing this property until the 3 remaining townhomes are completed as originally intended (in the "Villas" style).

	Printed Name	Signature	Address	Date
1	Huyen Phan		10886 Atherstone Dr.	09/01/09
2	Duc Nguyen		10886 Atherstone Dr.	09/01/09
3	Anastacia Shaver		10874 Atherstone Dr	9/1/09
4	Christopher Lott		10868 Atherstone Dr.	9/1/09
5	Forrest O'Sullivan		10858 Atherstone Dr.	9/1/09
6	Barbara Hodgson		10858 Atherstone Dr.	9/1/09
7	Joel Ryan		10854 Atherstone Dr.	9/1/09
8	Michelle Kerster		10878 Atherstone Dr	9/1/09
9	Dotti Mueckow		10910 Tower Park Dr	9/1/09
10	Travis Olsen	TRAVIS OLSEN	10912 TOWER PARK DR.	9/1/09
11	Vicki R. Colpepper	Vicki R. Colpepper	10931 Tower Park Dr	9/1/09

PETITION TO THE CITY OF RANCHO CORDOVA
File # DD6590

File # DD6590

Page 2 of 6

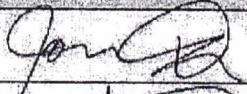
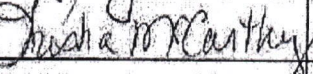
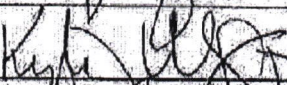
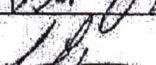
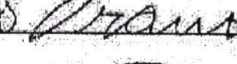
Capital Village – Design Review Amendment

PETITION TO THE CITY OF RANCHO CORDOVA

Rancho Cordova, CA

File # DD6590

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	Printed Name	Signature	Address	Date
13	Jon T. Do		10878 NEDERLAND WAY R.C. CA 95670	9-2-09
14	Cindy M Do		10864 ATHERSTONE DR R.C. CA 95670	9-02-09
15	Trisha McCarthy		3144 APPERLY WAY R.C. CA 95670	9-2-09
16	Mike McCarthy		3144 APPERLY WAY R.C. CA 95670	9-2-09
17	POWENA KUMAR		10908 TOWER PARK DRIVE RANCHO CORDOVA, CA 95670	9-2-09
18	Kyle Wicky		10854 Atherstone Dr. Rancho Cordova, CA 95670	9/2/09
19	JENNIFER D E		3144 LISA STERLING RANCHO CORDOVA 95670	9-3-09
20	Vincent Russo		3138 APPERLY WAY RANCHO CORDOVA CA 95670	9/3/09
21	JUVE CRUEZA		3149 Rushall Ct, Rancho Cordova CA 95620	9-3-09
22	Travis Victorio		3143 Minturn, Rancho CA 95670 Cordova	9-3-09
23	Kristina Dianne		3147 Minturn Way Rancho Cordova, CA 95670	9-3-09

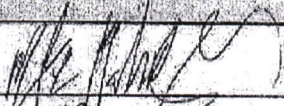
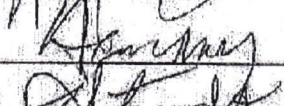
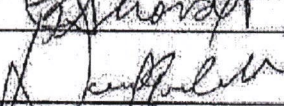
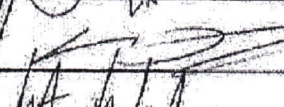
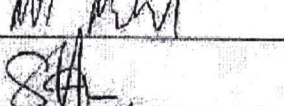
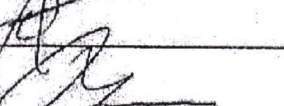
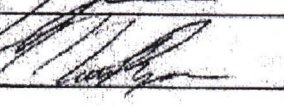
Capital Village – Design Review Amendment

PETITION TO THE CITY OF RANCHO CORDOVA

Rancho Cordova, CA

File # DD6590

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	Printed Name	Signature	Address	Date
24	Mike Roberson		10889 Minter	9-3-09
25	Han Nguyen		10846 Nederland	9-3-09
26	LuAnn Strand		10883 Stourport	9-3-09
27	Derrick Lombard		10885 Stourport	9-3-09
28	Chen Tasy		10881 Stourport	9-3-09
29	Matt MacDennell		10881 Stourport	9-3-09
30	Stephanie Haas		10856 Atherstone Dr.	9-3-09
31	John TIFFANY TAN		3111 LEA STEPLING WAY	9/3/09
32	Jon Lutz		10896 Atherstone Dr.	9/4/09
33	Just Larson		10896 Atherstone Dr.	9/4/09
34	Matthew Ryan		10868 Atherstone Dr.	9/5/09

Capital Village – Design Review Amendment

PETITION TO THE CITY OF RANCHO CORDOVA

Rancho Cordova, CA

File # DD6590

Petition Summary & Background:	This petition is in response to and in statement of our opposition to the Design Review Amendment to modify the Conditions of Approval and allow Beazer Homes to build 3 "Fusion" style townhomes on 18 parcels north of the Village Green Park in Capital Village.
Action Petitioned for:	We the undersigned, are concerned residents of the Capital Village development, who urge the City of Rancho Cordova to rule against Beazer Homes proposal to build 3 "Fusion" style townhomes North of the Village Green and complete these 3 buildings as originally approved in the "Villas" style that exists South of the Village Green. Furthermore, we would ask that the City act to condition the undeveloped land South of International to prevent Beazer or any potential buyer from developing this property until the 3 remaining townhomes are completed as originally intended (in the "Villas" style).

	Printed Name	Signature	Address	Date
35	Philip Castillo	<i>Philip Castillo</i>	10878 Alhambra Dr	9/4/09
36	Nancy Victorioso	<i>Nancy Victorioso</i>	3145 minturn way	9/4/09
37	Kathryn Knight	<i>Kathryn Knight</i>	10840 Nederland Way	9/4/09
38	GREGORY KAMM	<i>GREGORY KAMM</i>	8186 BRIDGEWAY DR	9/4/09
39	NORMA ALONSO	<i>NORMA ALONSO</i>	3162 BRIDGEWAY DR	9/7/09
40	NORMAN NICOLSON	<i>NORMAN NICOLSON</i>	3184 BRIDGEWAY DR	9/7/09
41	Jamal Naimoo	<i>Jamal Naimoo</i>	11009 International	9-7-09
42	DELI OULS	<i>DELI OULS</i>	11007 WILSON	9/7/9
43	David Wilkins	<i>David Wilkins</i>	11017 International Dr	9/7/9
44	Robin Wilkins	<i>Robin Wilkins</i>	11017 International Dr	9/7/9
45	ANDREW ARMSTRONG	<i>ANDREW ARMSTRONG</i>	11015 International	9/7/09

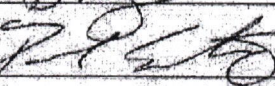
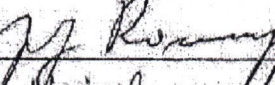
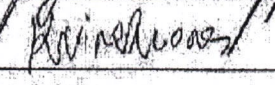
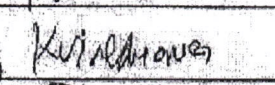
Capital Village – Design Review Amendment

Rancho Cordova, CA

PETITION TO THE CITY OF RANCHO CORDOVA

File # DD6590

Petition Summary & Background:	This petition is in response to and in statement of our opposition to the Design Review Amendment to modify the Conditions of Approval and allow Beazer Homes to build 3 "Fusion" style townhomes on 18 parcels north of the Village Green Park in Capital Village.
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	Printed Name	Signature	Address	Date
46	Renechille Santiago		11021 International Dr.	9-7-09
47	Paul Santiago		11021 INTERNATIONAL DR	9-7-09
48	Eric Zhou		11025 International Dr.	9-7-09
49	Samantha Davidson		11029 International Dr.	9-7-09
50	MELZ LAONAS ^{LOT 15} _{ALLEN}		11031 INTERNATIONAL DR	9-7-09
51	Laura Allen	Laura Allen	11031 International Dr.	9/7/09
52	JOSE ROMUZZA		11033 INT'L DR	9/7/09
53	Sean Bit		11039 Inter. Dr.	9/7/09
54	Khunvitheavine Sang		11039 Inter. Dr.	9/7/09
55	Jose Polanco		10922 Starport Dr	9/7/09
56	Susan O'Pake	Susan O'Pake	10944 Starport Dr	9/7/09

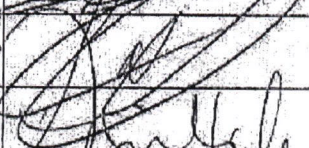
Capital Village – Design Review Amendment

PETITION TO THE CITY OF RANCHO CORDOVA

Rancho Cordova, CA

File #: DD6590

Petition Summary & Background:	This petition is in response to and in statement of our opposition to the Design Review Amendment to modify the Conditions of Approval and allow Beazer Homes to build 3 "Fusion" style townhomes on 18 parcels north of the Village Green Park in Capital Village.
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	Printed Name	Signature	Address	Date
57	Mike Madan		3143 Rushall Ct. Rancho Cordova	9/7/09
58	Lara Popvack		3143 Rushall Ct. "	9/7/09
59	Niambi Kafele		10576 Atherstone Dr.	
60	Lalan Kumar		10908 Tower Park Dr	09/07/2009

Jennifer Bennett

From: Jeff Beiswenger
Sent: Wednesday, September 09, 2009 2:46 PM
To: Jennifer Bennett
Subject: FW: Planning commission hearing on Sept. 10, 2009

From: manuel leon [mailto:leon.manuel7043@sbcglobal.net]
Sent: Wednesday, September 09, 2009 1:15 PM
To: Jeff Beiswenger
Subject: Planning commission hearing on Sept. 10, 2009

In the best interest of the community we would like to voice our approval to complete with the "Fusion Townhome" product.

Manuel & Carol Leon
3108 Noahblomquist Way

Jennifer Bennett

To: Jeff Beiswenger
Subject: RE: Fusion / Villas Planning commission hearing

From: Sandra Masias [mailto:sjmasias@gmail.com]
Sent: Wednesday, September 09, 2009 5:41 PM
To: Jeff Beiswenger; Dan Skoglund
Subject: Fusion / Villas Planning commission hearing

Gentlemen,

I am a resident of Capital Village. Since I am unable to attend the Planning Commission Hearing tomorrow night, I wanted to let you know how I feel regarding the building of townhouses on the remaining parcels north of the Park.

I understand the requests to keep these as the 3 story Villas. I just don't feel this is a realistic request.

I work for Zurich Insurance, just a short walk from Capital Park. During construction of the Villas 3 story townhouses, I was very interested in purchasing because of the proximity to my job. After touring the models, I sadly had to make a decision not to purchase a Villa floor plan town home. These homes had long, steep, stairways, some dark interior spaces and no outside living area (deck/balcony). Laundry areas are not conveniently located in some plans and there is limited cabinet space in 2 of the 3 floor plans...I could go on, but my point is made.

When construction was changed to Fusion, I was very happy with the revised floor plans and was one of the first to buy.

I represent exactly the demographic this area is trying to attract.

If we force Beazer to build Villas style homes, they will probably choose not to build until the market can absorb these type of homes. This would delay much needed development south of International.

Myself, co-workers and others are all anxious for more retail south of Hwy 50.. It is not realistic to shop north of the hwy 50 during a lunch hour. Shopping south of Hwy 50 would broaden our tax base and is only common sense development to relieve conjection on Hwy 50 overpasses.

Perhaps a compromise would be to build the units in question using the 'staggered' Fusion floor plans instead of the plan with the two 3 story units adjacent in the middle of a 6 unit row. Although a bit more expensive to build, this is more visually interesting.

Thank you,

Sandra Masias
10842 Nederland Way
Rancho Cordova, CA 95670
916-851-3781

As a Capital Village homeowner, I am in support of the Fusion townhome design to be constructed at lots 360-377 along Atherstone Drive.

[illegible]



Capital Village - Site Illustrative

City of Rancho Cordova, California

"Detailed Project Description and Justification"

History: The "Villas" product the original "Townhomes" approved for Capital Village. The "Villas" were constructed with a combined total of 6 building consisting of 6 units each equating to 36 units.

Due to market conditions Beazer Homes was forced to adjust the product resulting in the "Townhomes" product plan revision change known as "Fusion" including an amendment to the CUP.

The amendment to the CUP addressed the majority of the "Townhomes" changing to "Fusion" with exception of lots 360 through 377 (a portion of "Phase Two" Final Map). This portion of Capital Village remains as "Villas" with a combined total of 3 buildings consisting of 6 units each equating to 18 units.

Current Product Status: The site plan per the CUP Fusion product has a combined total of 21 buildings consisting of 6 units each equating to 126 units. Of the 126 Fusion units all but 18 have been constructed and occupied or are currently under construction.

Request Product Revision: Beazer Homes seeks to change the balance of "Villas" to "Fusion". The request is for lots 360 through 377 currently comprised of 3 building equating to 18 units (a portion of "Phase Two" Final Map). The lots are specifically located on the North side of "Park A" fronting Atherstone Dr. (west bound travel direction).

The request for change is due to the following:

- Fusion has sold better than the Villas; upon completion of the Fusion models and Grand Opening to the public, we have experienced a greater reception from our prospects and buyers. This is evidence in our ability to sell during an unprecedented detracted market condition (shorter duration on the market = profit & cash flow)
- Fusion provides beneficial features not found in Villas; e.g. (a) Plan 1658 (the two center units "3 story") provides an outdoor courtyard, (b) Plan 1658 (the two center units "3 story") allows for an optional outdoor "roof-top sun deck" patio located on the third floor, (c) all units provide a private outdoor space by means of functional balconies
- Fusion 2 story units interior layout combines the "Owners" bedroom, kitchen and family room all on same floor "very well received by buyers" (all Villas "Owners" bedroom are located on third floor)
- Fusion design provides four "2 story" units and two "3 Story" units within a building adapting to current market conditions (more desire for 2 stories verses 3 stories). This equates to a broader market target
- Fusion design consists of additional environmental friendly units (energy efficiency of maintaining heating & cooling of 2 stories verses 3 stories)
- By building the Fusion at lots 360 through 377 completes a balanced product placement around Park "A" and as a continuation of balance flowing from Tower Park Dr. (see site plan)
- Villas cost more to construct than Fusion; Villas average cost to construct = \$87.78 per SQFT verses Fusion average cost to construct = \$77.73 per SQFT (unjust financial burden to build Villas verses Fusion)
- Villas require code up-date to the master plans (unjust financial burden & delay in construction)
- Villas require DRE amendment (unjust financial burden & delay in construction)

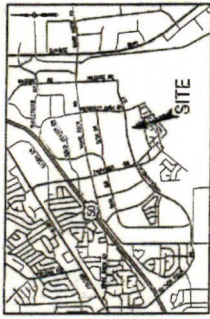


BEAZER HOMES
CAPITAL VILLAGE
NEW TOWNHOME PHASING MAP

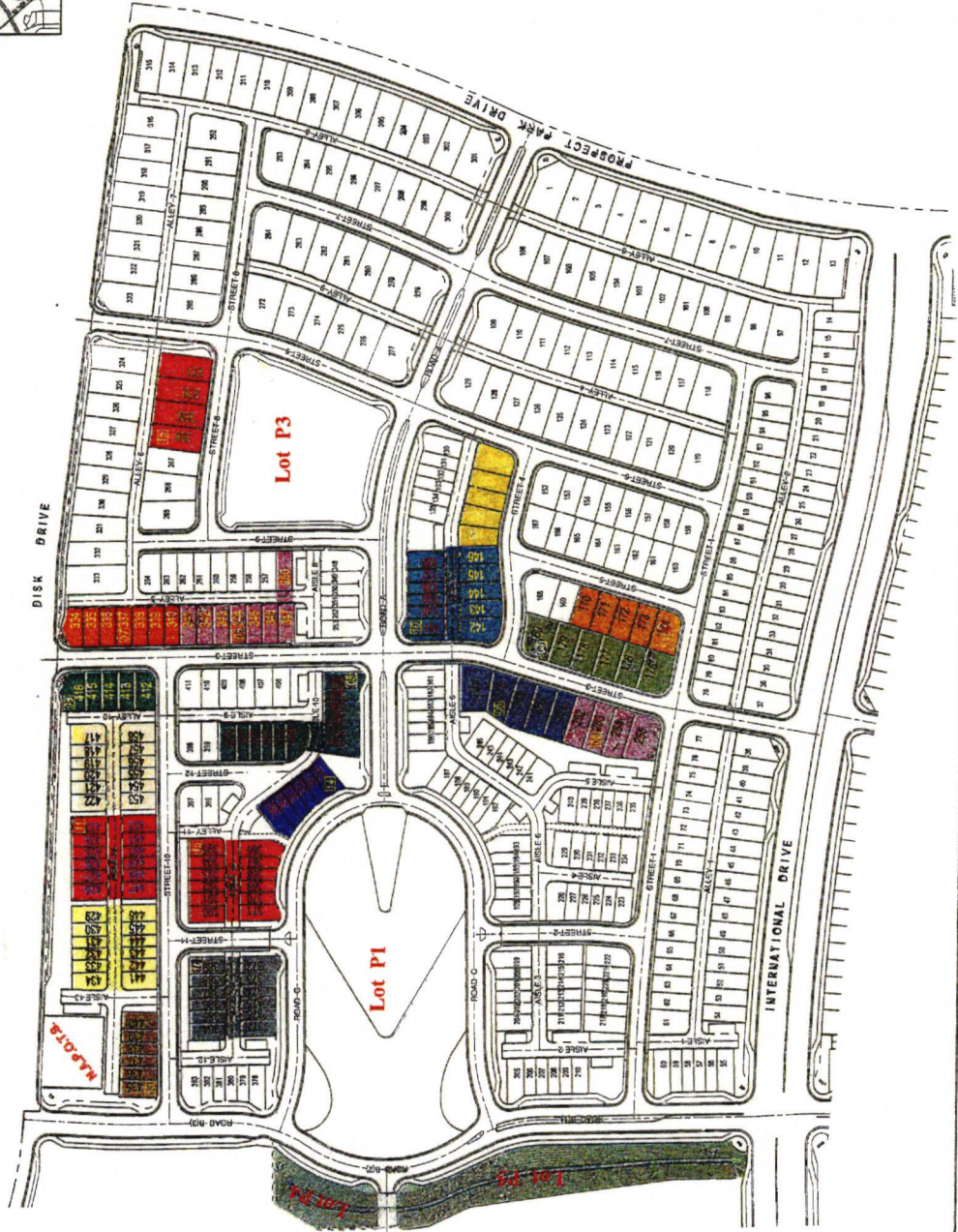
COMPLETED HOMES
NEW DESIGN

11/17/07

PH1 AND PH2 CONSTRUCTION PHASING & PRODUCT EXHIBIT for
Beazer - CAPITAL VILLAGE
 CITY OF CAUCHO CORDOVA, CALIFORNIA



VICINITY MAP



CONSTRUCTION PHASING

PHASE	LOT	PRODUCT	CONSTRUCTION PHASE
1	1	1	1
2	2	2	2
3	3	3	3
4	4	4	4
5	5	5	5
6	6	6	6
7	7	7	7
8	8	8	8
9	9	9	9
10	10	10	10
11	11	11	11
12	12	12	12
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44	44	44	44
45	45	45	45
46	46	46	46
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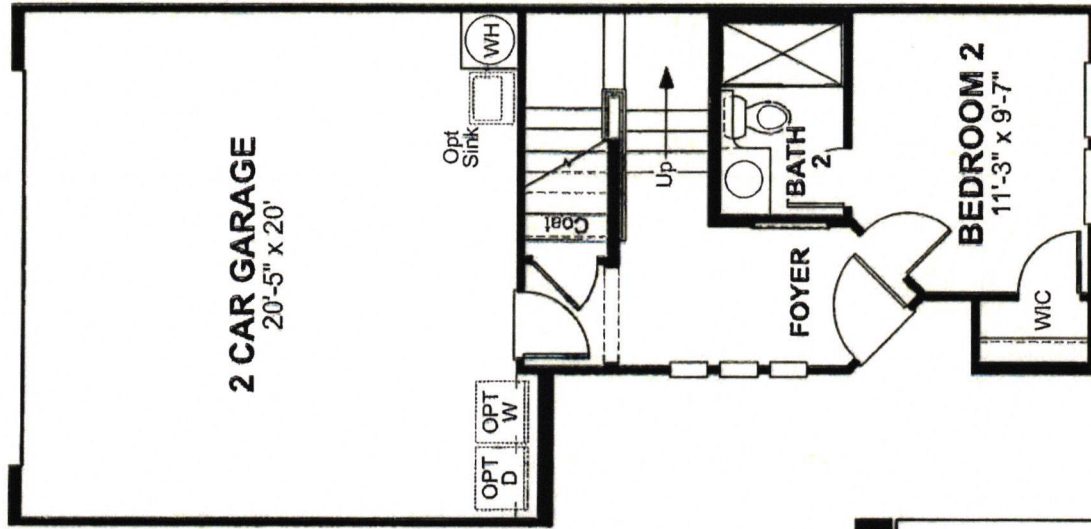


PLAN 1065

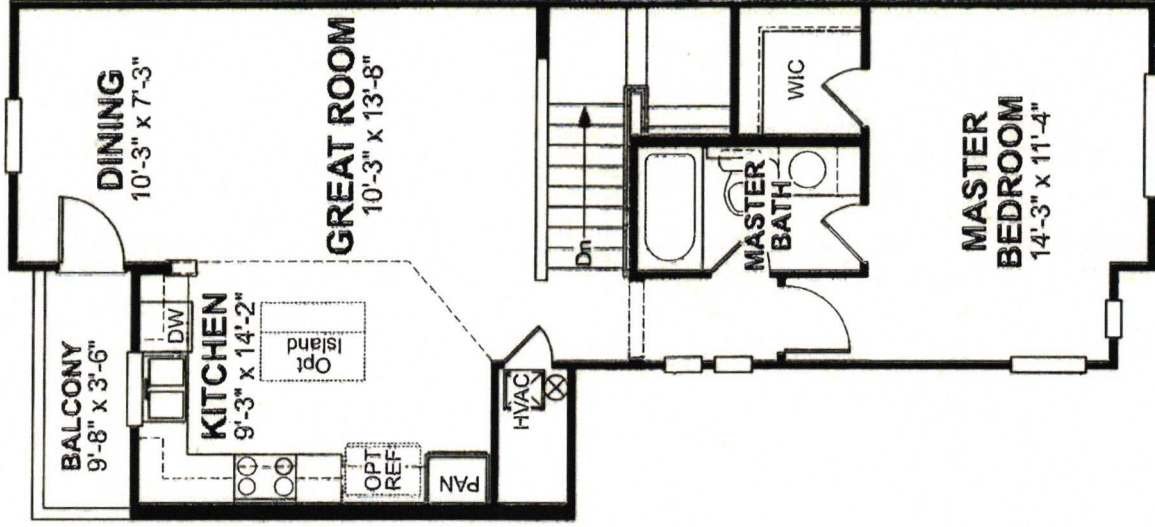
2 Bedroom ~ 2 Bath ~ 2 Car Garage
Approximately 1,065 Square Feet



PLAN 1065



First Floor Plan



Second Floor Plan

LEGEND

- OPT - Optional
- WIC - Walk In Closet
- UTL - Utility
- WIC - Walk In Closet
- PWDR - Powder Room
- SCD - Sliding Glass Door
- WH - Water Heater
- D - Door
- DW - Dishwasher
- REF - Refrigerator
- HVAC - Heating/Ventilating/Air Conditioning
- MECH - Mechanical Room
- MO - Mailbox
- MO - Microwave Oven
- Lin - Linen
- Pan - Pantry
- Dotted Lines Denote Optional Item
- Dashed Lines Denote Elevated Features

Due to our consistent efforts to improve our homes, Beazer reserves the right to make changes without notice or obligation. Illustrations and specifications are believed correct at time of publication, and are not intended to create any warranty or contract rights. All dimensions are approximate. Details shown may vary depending on the elevation and options chosen. Please consult your New Home Counselor for the method in which the square footage is calculated. As structural options are chosen for the first floor, various extensions are available on the lower level. See your New Home Counselor for details. ©2008 Beazer Homes

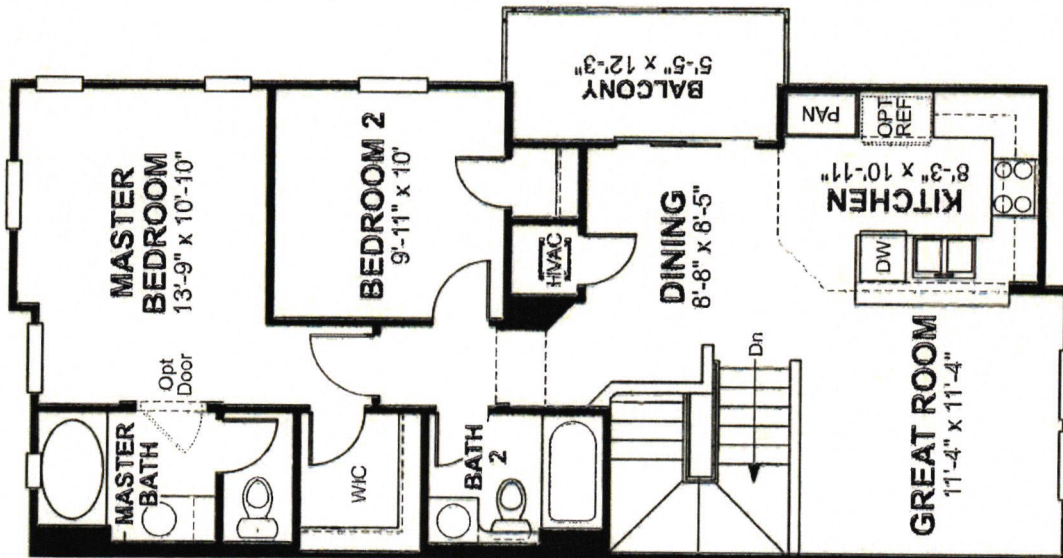


PLAN 1311

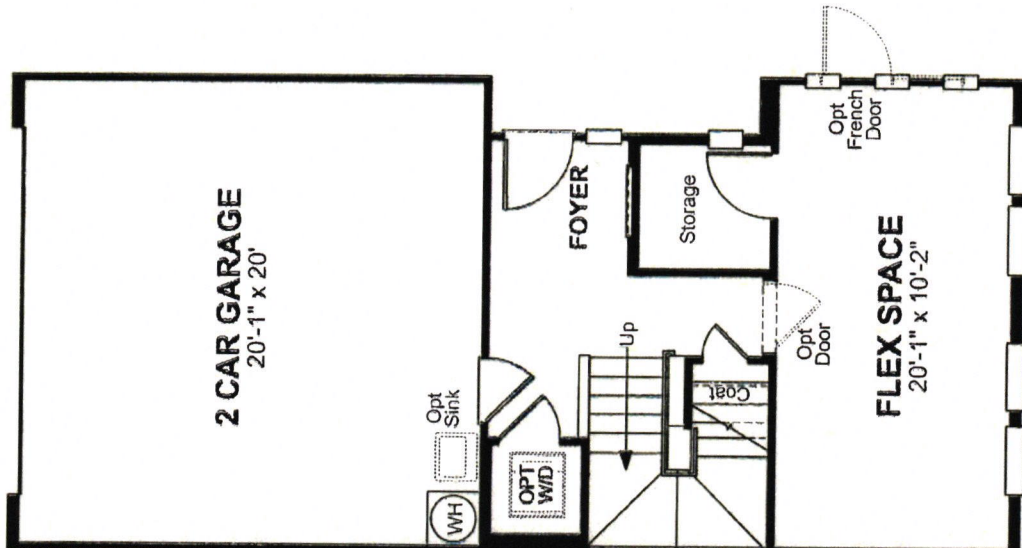
2 Bedroom ~ 2 Bath ~ 2 Car Garage
Approximately 1,311 Square Feet



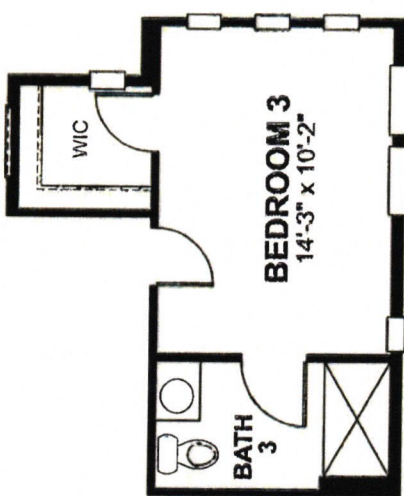
PLAN 1311



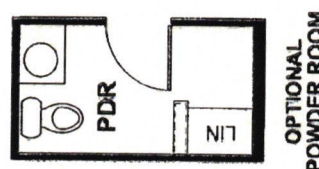
Second Floor Plan



First Floor Plan



OPTIONAL BEDROOM 3 AND BATH 3



LEGEND	
OPT - Optional	
UTL - Utility	
WIC - Walk In Closet	
PWDR - Powder Room	
SCD - Sliding Glass Door	
W - Window	
D - Door	
WH - Water Heater	
DW - Dishwasher	
REF - Refrigerator	
HVAC - Heating/Ventilating	
MECH - Mechanical Room	
MO - Microwave Oven	
Lin - Linen	
Pan - Pantry	
Dotted Lines Denote Optional Item	
Elevated Features	

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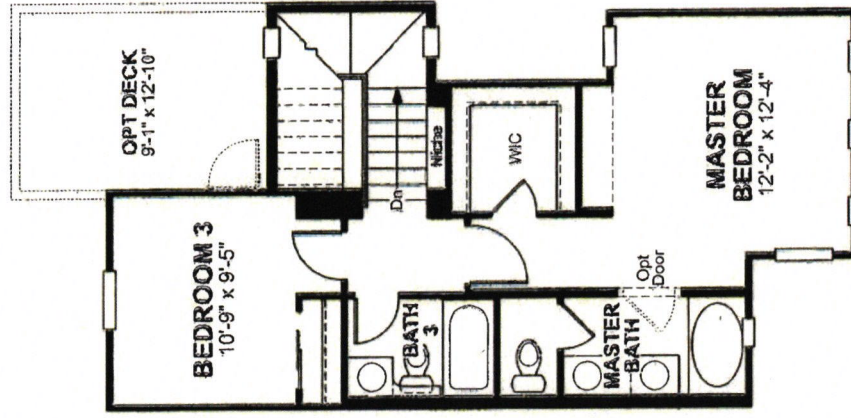
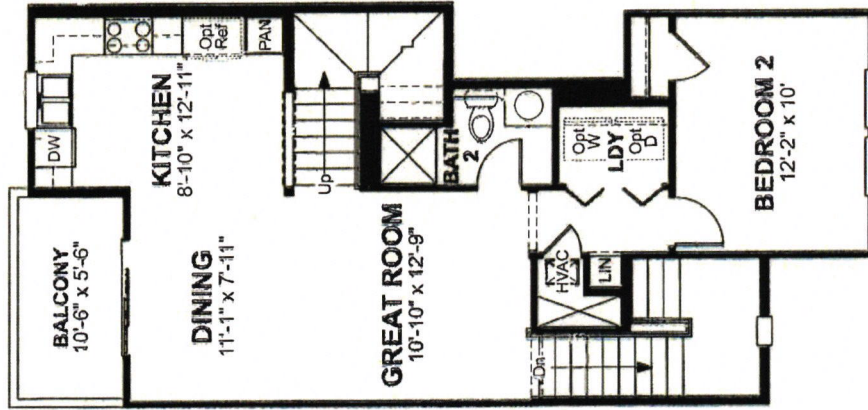
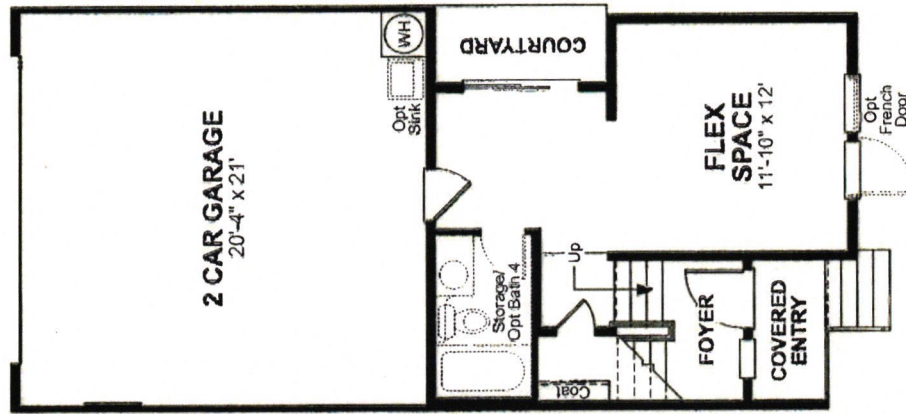
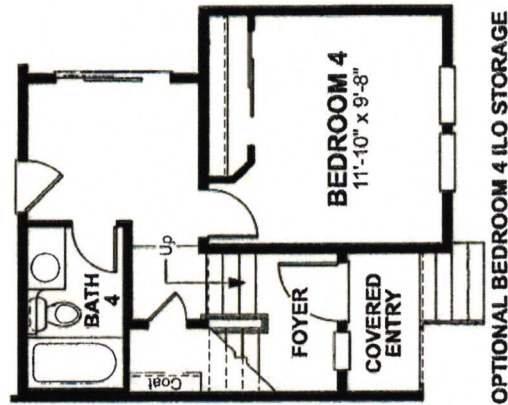
PLAN 1658

3 Bedroom ~ 3 Bath ~ 2 Car Garage
Approximately 1,658 Square Feet



Beazer
Homes

PLAN 1658



LEGEND

- OPT - Optional
- I/O - In/Out
- UTIL - Utility
- WIC - Walk In Closet
- PWDR - Powder Room
- SCD - Sliding Glass Door
- WH - Water Heater
- D - Dryer
- DW - Dishwasher
- REF - Refrigerator
- HVAC - Heating/Ventilating/Air Conditioning
- MECH - Mechanical Room
- WO - Wall Oven
- MO - Microwave Oven
- Lin - Linen
- Pan - Pantry
- Dotted Lines Denote Optional Item
- Dashed Lines Denote Eminent Features

First Floor Plan

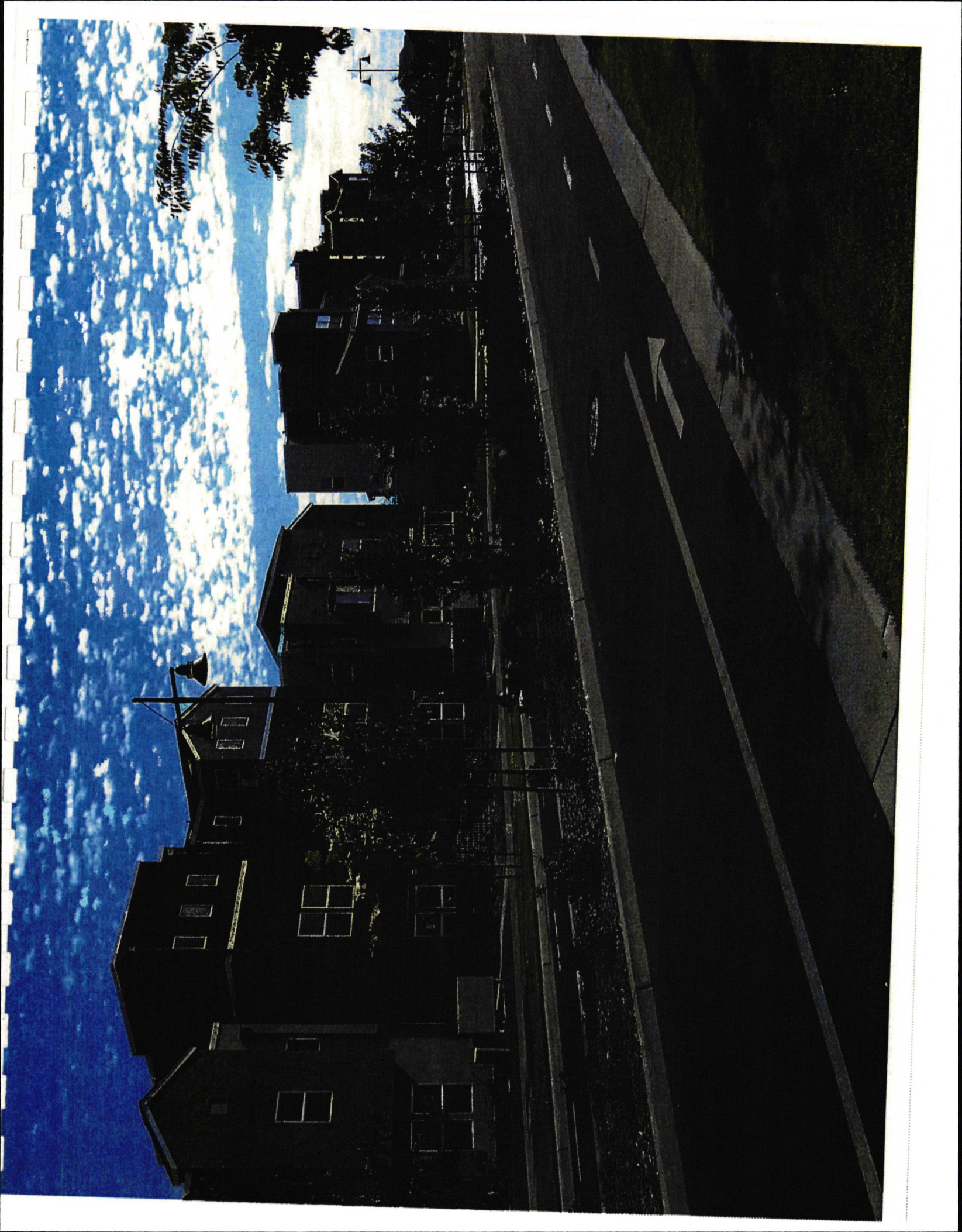
Second Floor Plan

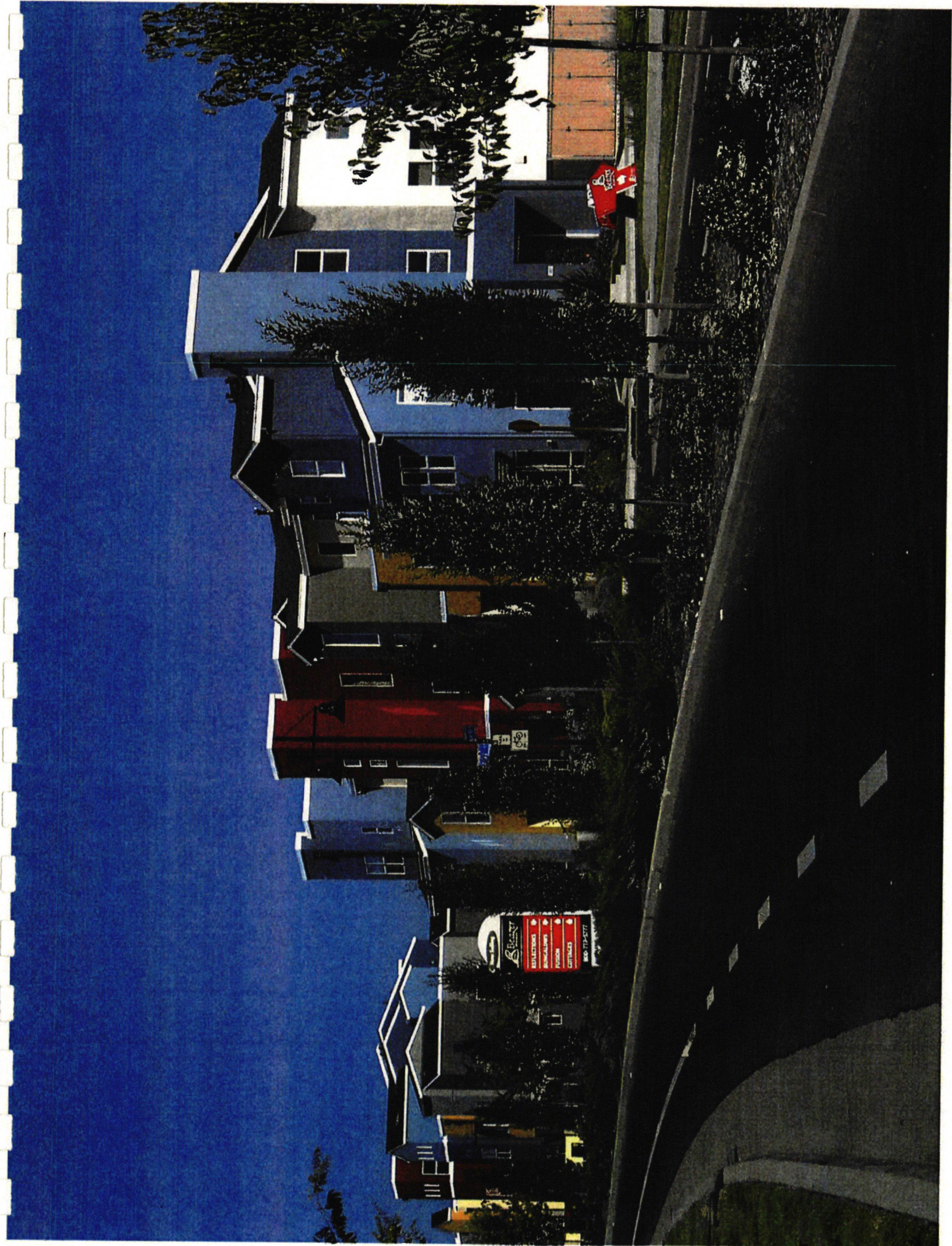
Third Floor Plan

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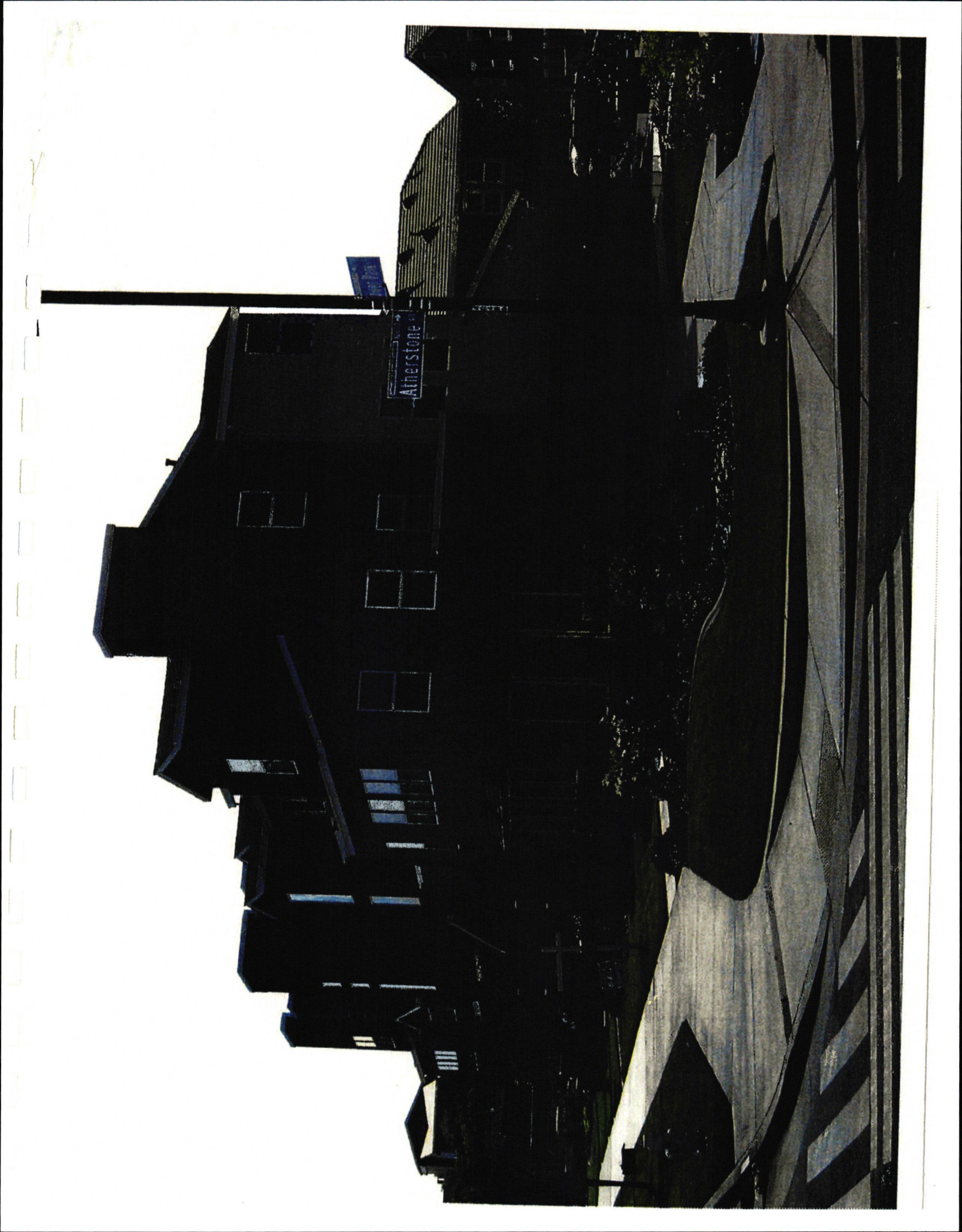














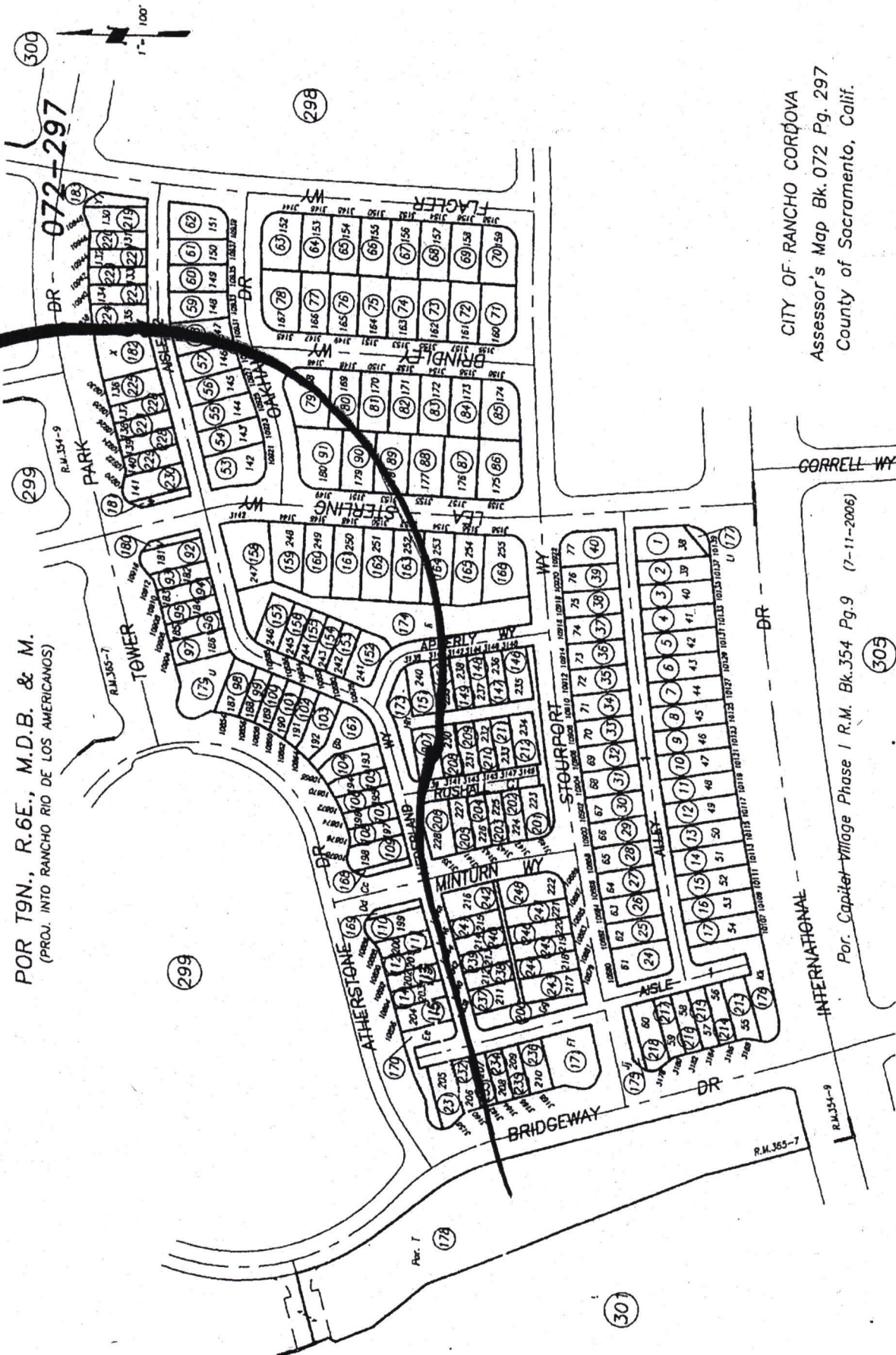
Phase 1
Revised

Revised Map Of Por. Capital Village Phase 1 (L.M. Bk. 365 Pg. 7 (3-21-2007)
Revised Map Of The Revised Maps Of Por. Capital Village Phases 1 and 11 R.M. Bk. 373 Pg. 6 (3-24-08)

POR T9N., R.6E., M.D.B. & M.
(PROJ. INTO RANCHO RIO DE LOS AMERICANOS)

CITY OF RANCHO CORDOVA
Assessor's Map Bk. 072 Pg. 297
County of Sacramento, Calif.

Por. Capital Village Phase 1 R.M. Bk. 354 Pg. 9 (7-11-2006)

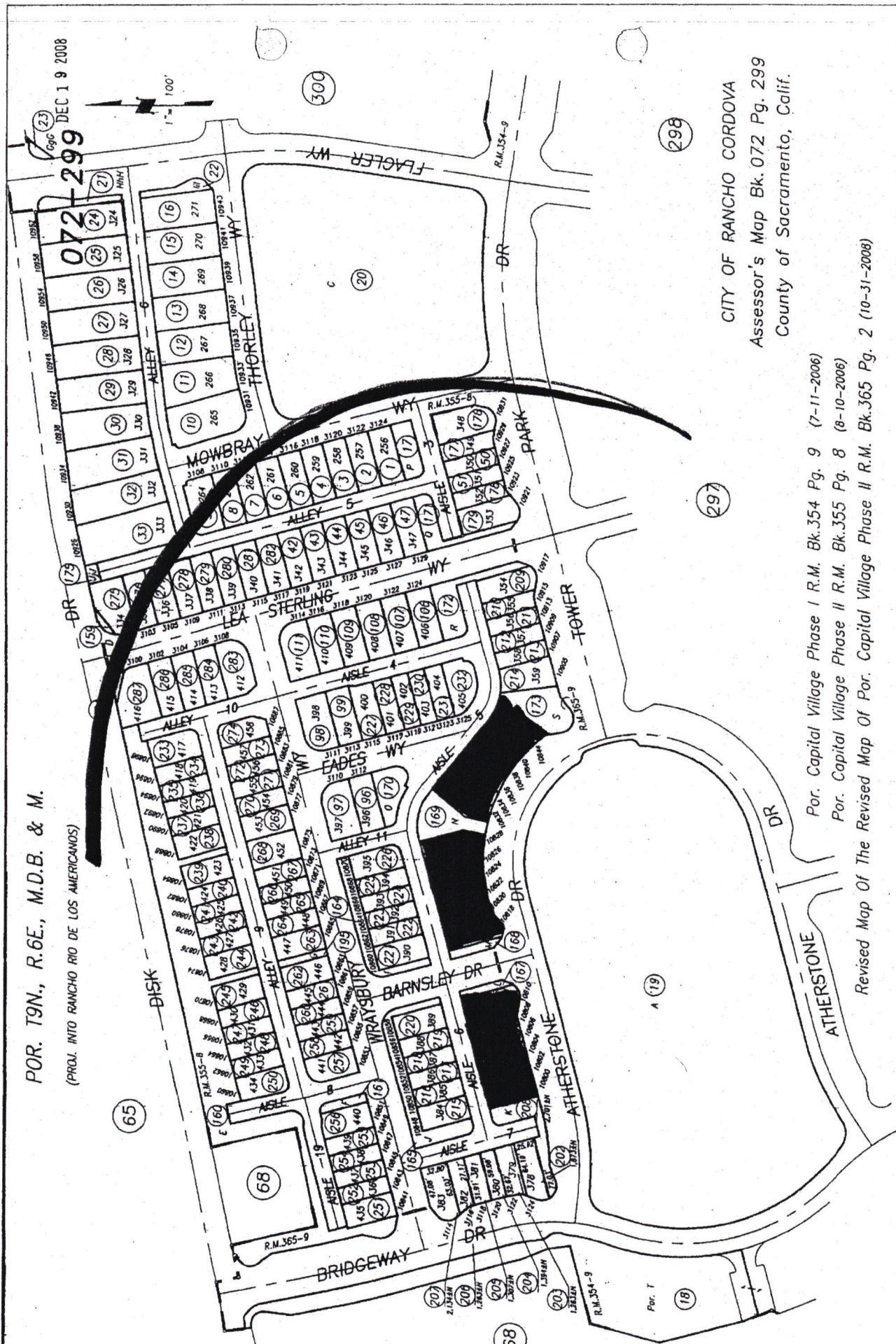


POR. T9N., R.6E., M.D.B. & M.

(PROL INTO RANCHO RIO DE LOS AMERICANOS)

DEC 19 2008

Revised Map Of Por. Capital Village Phase II R.M. Bk.365 Pg. 9 (7-11-2006)
Revised Map Of Por. Capital Village Phase II R.M. Bk.365 Pg. 8 (8-10-2006)
Revised Map Of The Revised Map Of Por. Capital Village Phase II R.M. Bk.365 Pg. 2 (10-31-2008)



CITY OF RANCHO CORDOVA
Assessor's Map Bk.072 Pg. 299
County of Sacramento, Calif.

Revised - Phase 2

Timothy Britt
3145 Rushall Ct
Rancho Cordova, CA 95670

Ricky Do
10864 Atherstone Dr
Rancho Cordova, CA 95670

Ricky Do
10878 Nederland Way
Rancho Cordova, CA 95670

Tiffani Eghan
10904 Tower Park Dr
Rancho Cordova, CA 95670

Malik Kafele
10876 Atherstone Dr
Rancho Cordova, CA 95670

Robert & Marianne Neubacher
10862 Atherstone Dr
Rancho Cordova, CA 95670



Jenae Alechko
3112 Eades Way
Rancho Cordova, CA 95670

Norma Alejo
3162 Bridgeway Dr
Rancho Cordova, CA 95670

J Carlos Alonzo
10896 Atherstone Dr
Rancho Cordova, CA 95670

Andrew Anselmi
3120 Mowbray Way
Gold River, CA 95670

Aimee Arnold
3121 Lea Sterling Way
Rancho Cordova, CA 95670

Heather Ausmus
3125 Lea Sterling Way
Rancho Cordova, CA 95670

Devin Avery
3155 Lea Sterling Way
Rancho Cordova, CA 95670

Brian & Amalia Beeck
3121 Eades Way
Rancho Cordova, CA 95670

Chad & Cory Bennett
10860 Atherstone Dr
Rancho Cordova, CA 95670

Stephanie Bradbury
10848 Nederland Way
Rancho Cordova, CA 95670

Timothy Britt
8842 Winding Way #433
Fair Oaks, CA 95628

Kendris Cabral
3116 Lea Sterling Way
Rancho Cordova, CA 95670

Rubi Carrillo
3147 Rushall Ct
Rancho Cordova, CA 95670

Sandra Chamness
10838 Nederland Way
Rancho Cordova, CA 95670

Steven & Chan
10846 Nederland Way
Rancho Cordova, CA 95670

Casey Corrigan
3141 Rushall Ct
Rancho Cordova, CA 95670

Jeremy Couch
10934 Disk Dr
Rancho Cordova, CA 95670

Leanne Coyne
3164 Bridgeway Dr
Rancho Cordova, CA 95670

Christopher & Vicki Culpepper
10931 Tower Park Dr
Rancho Cordova, CA 95670

Johnmark & Filipinas Dabuit
3123 Eades Way
Rancho Cordova, CA 95670

Mike Dauden
10886 Atherstone Dr
Rancho Cordova, CA 95670

Brad Dawson
10931 Thorley Way
Rancho Cordova, CA 95670

Ken & Erin Dean
3148 Lea Sterling Way
Rancho Cordova, CA 95670

Brandon Diegle
10880 Nederland Way
Gold River, CA 95670

Benito & Rosalia Dimas
3117 Eades Way
Rancho Cordova, CA 95670

Kristina Dismuke
3147 Minturn Way
Rancho Cordova, CA 95670

Ricky Do
1310 Sirolero St
Milpitas, CA 95035

Ricky Do
1310 Sirolero St
Milpitas, CA 95035

Lawrence & Jennifer Dole
3144 Lea Sterling Way
Rancho Cordova, CA 95670

Donald Stuart Draughon
3145 Apperly Way
Rancho Cordova, CA 95670

G Michelle Eaton
3109 Lea Sterling Way
Rancho Cordova, CA 95670

Tiffani Efhan
9650 Autumn Walk Pl
Elk Grove, CA 95757

Michael Fleace
10940 Tower Park Dr
Rancho Cordova, CA 95670

Lee Garrison Sr.
3158 Bridgeway Dr
Rancho Cordova, CA 95670

Robert Goedrich
3119 Lea Sterling Way
Rancho Cordova, CA 95670

Carolyn Goldman
3152 Brindley Way
Rancho Cordova, CA 95670

Michael Greenberg
10884 Nederland Way
Gold River, CA 95670

Christopher & Julie Grucza
3149 Rushall Ct
Rancho Cordova, CA 95670

Stephanie Haas
10856 Atherstone Dr
Rancho Cordova, CA 95670

Dustin Hale
3149 Lea Sterling Way
Rancho Cordova, CA 95670

Shawn Hammond-Elegue
3153 Lea Sterling Way
Rancho Cordova, CA 95670

Erika Hardoyo
10872 Atherstone Dr
Rancho Cordova, CA 95670

Cornelius Henderson
3166 Bridgeway Dr
Rancho Cordova, CA 95670

Nicholas & Christine Horton
10931 Oakham Dr
Rancho Cordova, CA 95670

Peter Houben
3119 Eades Way
Rancho Cordova, CA 95670

Roderick & Carmencita
Humphries
3110 Eades Way
Rancho Cordova, CA 95670

Andy Balino & Dorothy Icarangal
3122 Mowbray Way
Rancho Cordova, CA 95670

Themia Jamias
3113 Eades Way
Rancho Cordova, CA 95670

Margaret Jeffcott
3124 Lea Sterling Way
Rancho Cordova, CA 95670

Lindsey Johnson
10921 Tower Park Dr
Rancho Cordova, CA 95670

Christopher John Jordan
10894 Atherstone Dr
Rancho Cordova, CA 95670

Malik Kafele
11844 Blushing Cir
Rancho Cordova, CA 95742

Michael Kelly
3117 Lea Sterling Way
Rancho Cordova, CA 95670

Michelle Kersten
10878 Atherstone Dr
Rancho Cordova, CA 95670

Kathryn Knight
10840 Nederland Way
Rancho Cordova, CA 95670

Lalan & Rowena Kumar
10908 Tower Park Dr
Rancho Cordova, CA 95670

Aimee Kurtz
3139 Rushall Ct
Rancho Cordova, CA 95670

Steven Lambert
10870 Atherstone Dr
Rancho Cordova, CA 95670

Linsee Lear
10933 Thorley Way
Rancho Cordova, CA 95670

Arturo Lopez
10925 Tower Park Dr
Rancho Cordova, CA 95670

Arturo Lopez
10923 Tower Park Dr
Rancho Cordova, CA 95670

Christopher Lott
10868 Atherstone Dr
Rancho Cordova, CA 95670

Richard Manners
3127 Lea Sterling Way
Rancho Cordova, CA 95670

Melissa Marcucci
3104 Lea Sterling Way
Rancho Cordova, CA 95670

Carrie Markis
10929 Tower Park Dr
Rancho Cordova, CA 95670

Madelyn Martinez
3114 Bridgeway Dr
Rancho Cordova, CA 95670

Sandra Masias
10842 Nederland Way
Rancho Cordova, CA 95670

Cassandra McCants
3148 Apperly Way
Rancho Cordova, CA 95670

Michael & Trisha McCarthy
3144 Apperly Way
Rancho Cordova, CA 95670

Patrick McGee
10907 Tower Park Dr
Rancho Cordova, CA 95670

Landon Mercado
3141 Minturn Way
Rancho Cordova, CA 95670

Patrick Mirza
3125 Eades Way
Rancho Cordova, CA 95670

Chelsea Morris
10888 Atherstone Dr
Rancho Cordova, CA 95670

Heidi Jean Mortensen
10892 Atherstone Dr
Rancho Cordova, CA 95670

Kurt & Dorothy Muchow
10910 Tower Park Dr
Rancho Cordova, CA 95670

Yajuvendra Nagaonkar
10927 Tower Park Dr
Gold River, CA 95670

Robert & Marianne Neubacher
9225 Bromfield Ct
Elk Grove, CA 95624

Cuong Nguyen
3148 Brindley Way
Gold River, CA 95670

Sullivan Frrest O
10858 Atherstone Dr
Rancho Cordova, CA 95670

Rurke Michael O
3142 Apperly Way
Rancho Cordova, CA 95670

Alberto Odor
10938 Tower Park Dr
Rancho Cordova, CA 95670

Travis Glen Olsen
10912 Tower Park Dr
Gold River, CA 95670

Adrienne Paixao
3129 Lea Sterling Way
Rancho Cordova, CA 95670

Adam & Kathleen Perasso
3142 Lea Sterling Way
Rancho Cordova, CA 95670

Christopher Phelan II
3120 Lea Sterling Way
Rancho Cordova, CA 95670

Rebecca Ray
3118 Mowbray Way
Rancho Cordova, CA 95670

Elizabeth Razmek
3116 Mowbray Way
Rancho Cordova, CA 95670

Mark Roffe
3146 Lea Sterling Way
Rancho Cordova, CA 95670

Richard & Michelle Ross
3114 Lea Sterling Way
Rancho Cordova, CA 95670

M U S
Po Box 15830
Sacramento, CA 95852

Peter Salindong
10906 Tower Park Dr
Rancho Cordova, CA 95670

David & Nina Saul
10844 Nederland Way
Rancho Cordova, CA 95670

Edward & Frances Sawabini Sr.
3106 Lea Sterling Way
Rancho Cordova, CA 95670

Jefferey Sewell
3116 Bridgeway Dr
Rancho Cordova, CA 95670

Sheila Shadrick
3124 Mowbray Way
Rancho Cordova, CA 95670

Anastacia Kay Shaver
10874 Atherstone Dr
Rancho Cordova, CA 95670

Shing Tai Shen
10916 Tower Park Dr
Rancho Cordova, CA 95670

Sharon Shiffer
10882 Nederland Way
Rancho Cordova, CA 95670

Thomas Smith
3160 Bridgeway Dr
Rancho Cordova, CA 95670

Eric Smith
3118 Lea Sterling Way
Rancho Cordova, CA 95670

Carrie Stilwell
3150 Lea Sterling Way
Rancho Cordova, CA 95670

Albert Stricker
10930 Disk Dr
Rancho Cordova, CA 95670

Timothy Tadlock
3101 Lea Sterling Way
Rancho Cordova, CA 95670

Jolin Tan
3111 Lea Sterling Way
Rancho Cordova, CA 95670

Joanne Touhey
3150 Brindley Way
Rancho Cordova, CA 95670

Marc & Leonora Travella
3151 Lea Sterling Way
Rancho Cordova, CA 95670

Kevin & Stephanie Tucker
3111 Eades Way
Rancho Cordova, CA 95670

Jennifer Valine
10890 Atherstone Dr
Gold River, CA 95670

Andrew & Valerie Velasco
3146 Brindley Way
Rancho Cordova, CA 95670

Nancy Victorioso
3143 Minturn Way
Rancho Cordova, CA 95670

Betsy Vierra
3115 Lea Sterling Way
Rancho Cordova, CA 95670

Reuben Wanjiru
3122 Lea Sterling Way
Rancho Cordova, CA 95670

Kyle Wicky
10854 Atherstone Dr
Rancho Cordova, CA 95670

Ezra Williams
3145 Minturn Way
Rancho Cordova, CA 95670

Timothy & Donna Williamson
10886 Nederland Way
Rancho Cordova, CA 95670

Kay Wilson
3143 Rushall Ct
Rancho Cordova, CA 95670

Clifton & Jennifer Wood
3140 Apperly Way
Rancho Cordova, CA 95670

Frances Zuniga
10926 Disk Dr
Rancho Cordova, CA 95670

DI Capital Center Limited
Partnership
220 E 42nd St #27
New York, NY 10017

DI Capital Center Limited
Partnership
220 E 42nd St #27
New York, NY 10017

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New York, NY 10119

E D S Realty Corporation
5400 Legacy Dr #ppt
Plano, TX 75024

Jlc Contracting Inc
4311 Stonefield Ln
Fairfield, CA 94534

Berry Latronya & Naomi Banks
10888 Nederland Way
Rancho Cordova, CA 95670

Righello
3123 Lea Sterling Way
Rancho Cordova, CA 95670

MEMORANDUM



DATE: October 5, 2009
TO: Honorable Mayor and Council Members
FROM: Cyrus Abhar, Public Works Director

SUBJECT: RESOLUTIONS AUTHORIZING THE CITY MANAGER TO EXECUTE CONSTRUCTION CONTRACT NO. 117-2009 WITH DESILVA GATES CONSTRUCTION TO PROVIDE THE CONSTRUCTION OF THE INTERNATIONAL DRIVE EXTENSION PROJECT IN THE AMOUNT OF \$7,684,408; EXECUTE CONTRACT NO. 114-2009 WITH QUINCY ENGINEERING, INC. TO PROVIDE CONSTRUCTION MANAGEMENT IN THE AMOUNT OF \$900,000; AND EXECUTE FOURTH CONTRACT AMENDMENT NO. 87-2009 WITH WOOD ROGERS, INC. TO PROVIDE CONSTRUCTION ENGINEERING SUPPORT IN THE AMOUNT OF \$155,500 FOR THE INTERNATIONAL DRIVE EXTENSION PROJECT

RECOMMENDATION

That Council:

- a) Adopt Resolution No. 94-2009 Authorizing the City Manager to Execute Construction Contract No. 117-2009 with DeSilva Gates Construction; and
- b) Adopt Resolution No. 95-2009 Authorizing the City Manager to Execute Contract No. 114-2009 Quincy Engineering Inc.; and
- c) Adopt Resolution No. 82-2009 Authorizing the City Manager to Execute Fourth Contract Amendment No. 87-2009 with Wood Rodgers Inc.

RESULT OF RECOMMENDED ACTION

Adoption of Resolution 94-2009 will authorize the City Manager to execute a construction contract with DeSilva Gates Construction in the amount of \$7,684,408 for the construction of the International Drive Extension Project.

The work performed under the construction contract includes the furnishing of all labor, materials, and equipment for construction of the extension of International Drive as a six-lane roadway from Kilgore Road to Sunrise Boulevard.

Included in the project will be the widening of Sunrise Boulevard to allow a six-lane configuration, two new signalized intersections at the Monier Circle/Sunrise Boulevard/International Drive and at Kilgore Road/International Drive. Construction of a new bridge over Folsom South Canal along with the construction of raised concrete medians, retaining walls, bike paths, and sound walls will also be included.

Adoption of Resolution 95-2009 will authorize the City Manager to execute a consultant contract with Quincy Engineering, Inc. in the not to exceed amount of \$900,000 to provide the construction management and construction inspection services for construction of the project.

The contract includes all construction management and inspection services. These include pre-construction services such as bid review, preparation of a construction management plan and construction plan and permit review. Construction services will consist of inspection and documentation of all construction activities, assurance of quality control, maintenance of construction schedule, enforcement of Federal and State regulations, permit compliance, labor compliance, community outreach and change order negotiation as well as all other construction related activities. Post construction tasks will be to perform final quantities and prepare final estimates, prepare final as-built drawings and assist the City with post-completion dispute resolutions if necessary.

Adoption of Resolution 82-2009 will authorize the City Manager to execute the fourth contract Amendment with Wood Rodgers, Inc. in the amount of \$155,500. The contract amendment will provide for surveying, construction staking and other design services needed for the construction of the International Drive Project.

BACKGROUND

The City initiated the design for the International Drive Extension project in late 2006. In April 2008, staff presented project scope, environmental studies and design concept to the City Council. At that time Council approved the environmental document and authorized staff to proceed with the final design. The final design reflects the design concepts authorized by the Council.

Rights-of-Way agreements have been reached with all property owners with the exception of one which is currently in the eminent domain process. The City has been granted a Right of Entry and the construction and schedule of the project will not be affected by the eminent domain process.

Construction Contract

Bids were solicited on the City's Website and the Sacramento and Placer County Builders Exchanges beginning September 1, 2009. The project was also advertised in the Sacramento Bee on September 2, 2009 as well as in the Grapevine Independent on September 4, 2009 and September 11, 2009. The bids were publicly opened on September 24, 2009 at City Hall.

A total of eight (8) contractors bid on the project. The lowest bid received was \$7,604,111 the average bid was \$8,049,460 and the highest bid was \$8,458,212. The Bid Summary Sheet is provided in **Exhibit A** of Resolution 94-2009. Included in the bid package was an alternative bid for construction of additional median improvements and landscaping on Sunrise Boulevard Staff recommends the alternative bid for the additional landscaping work be added to the base bid. The alternative bid amount for the lowest bidder was \$80,297.

Together with the base bid and alternative bid, the contract amount for DeSilva Gate Construction (Contract No. 117-2009) is \$7,684,408.

Contract with Quincy Engineering, Inc. for Construction Management

Staff issued a Request for Proposal to solicit proposals for Construction Management Services for the International Drive Extension Project. The City received nine (9) proposals from consulting firms. The proposals were ranked by City staff based on qualifications and experience with similar projects. Five (5) firms were short listed and interviewed on July 14, 2009.

City staff selected Quincy Engineering, Inc. from the five firms interviewed and recommends them based on the content of their proposal, experience with similar projects, knowledge of the Federal Aid process, workload, and track record with maintaining construction schedule and budget.

Contract Amendment to Wood Rodgers, Inc. Contract for Engineering Services and Construction Staking

The City previously entered into a consultant services agreement with Wood Rodgers, Inc. in 2006 to provide engineering design services for the International Drive Extension Project. Subsequent amendments to the contract were made for design modifications resulting from the City being awarded federal grants to provide additional improvement and enhancements from the Regional Surface Transportation Program and the SACOG 2008 Bicycle & Pedestrian Funding Program.

This amendment will allow construction staking, stormwater management services, outside agency coordination and plans and specification updates.

PROJECT FUNDING

The total project cost is approximately \$13,000,000. Funding for this project consists of \$3,800,000 from Federal Grants, \$1,250,000 in Federal Stimulus (American Recovery and Reinvestment Act) money and \$2,000,000 from Measure A. Public Works has also reached an agreement with the County of Sacramento to use \$2,000,000 from the Mather Field Public Facilities Finance Plan to further fund this project. The remaining balance will be funded from the City's Transportation monies.

This project is included in the City's current approved Capital Improvement Plan (CIP) and is included in the 09/10 budget.

ATTACHMENTS

1. Resolution No. 94-2009 authorizing the City Manager to execute a Construction Contract with DeSilva Gates Construction - **(Exhibit A)** Bid Summary Sheet and **(Exhibit B)** Agreement
2. Resolution 95-2009 authorizing the City Manager to execute a Contract with Quincy Engineering Inc. **(Exhibit A)**
3. Resolution 82-2009 authorizing the City Manager to execute a Contract Amendment with Wood Rodgers, Inc. **(Exhibit A)**

CITY OF RANCHO CORDOVA

RESOLUTION NO. 94-2009

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH
DESILVA GATES CONSTRUCTUION INC. FOR THE CONSTRUCTION OF THE
INTERNATIONAL DRIVE EXTENSION PROJECT**

WHEREAS, bids were solicited to the Sacramento County and Placer County Builders Exchange beginning September 1, 2009. The project was also advertised in The Sacramento Bee on September 2, 2009 and the Grapevine Independent on September 4 and 11, 2009; and

WHEREAS, the bids were publicly opened on September 24, 2009 at 2729 Prospect Park Drive, Rancho Cordova 95670; and

WHEREAS, the City recommends awarding the International Drive Extension Project to the lowest responsive bidder DeSilva Gates Construction Inc., in the amount of \$7,684,408. See (**Exhibit A**) Bid Summary Sheet; and

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA that the City Council authorizes the City Manager to execute a contract with DeSilva Gates Construction, Inc. in an amount of \$7,684,408 and in a form approved by the City Attorney (**Exhibit B**).

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk



International Drive Extension Project - Kilgore Rd to Sunrise Blvd
Rancho Cordova City Hall
2729 Prospect Park Drive, Rancho Cordova, CA 95670
September 24, 2009 at 3:00 PM

Letter Designation	Contractor	Base Bid Amount	Pre-bid Attendance	Addendum 1	Proposal Signed	Contractor's License	List of Subs	Equal Employment	Contract Code	Non-Collusion	Debarment Suspension	Nonlobbying Cert	Bidders Bond	15-G(1)	15-H	15-G(2)	Compliance with Support
A	Top Grade Construction	\$7,757,965.85	x	x	x	x	x	x	x	x	x	x	x				x
B	Doug Veerkamp General Engineering	\$8,458,212.98	x		x	x	x	x	x	x	x	x	x	x			
C	DeSilva Gates Construction	\$7,604,110.59	x		x	x	x	x	x	x	x	x	x				
D	Granite Construction Company	\$8,423,423.00	x	x	x	x	x	x	x	x	x	x	x				x
E	Sierra Nevada Construction	\$8,023,007.00	x	x	x	x	x	x	x	x	x	x	x				
F	Western Engineering Contractors	\$7,717,007.94	x	x	x	x	x	x	x	x	x	x	x				x
G	RGW Construction	\$8,078,540.37	x		x	x	x	x	x	x	x	x	x				
H	McGuire and Hester	\$8,333,419.38	x	x	x	x	x	x	x	x	x	x	x				x
I																	
J																	
K																	
L																	
M																	
N																	
O																	

Attendees:
Aimee Kellerman, Administrative Secretary, City Clerk Office
Kathy Garcia, Public Works
Albert Stricker, Public Works
Britton Snipes, Public Works
Ben Chan, Public Works

Aimee Kellerman
Aimee Kellerman, Administrative Secretary

EXHIBIT A

**CONSTRUCTION SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND DESILVA GATES CONSTRUCTION**

THIS AGREEMENT made and entered into this day of _____, between the City of Rancho Cordova ("City") and DeSilva Gates Construction Inc. ("Contractor") as of _____, 2009.

WITNESSETH:

WHEREAS, the City Council for the City heretofore caused plans and specifications for the work hereinafter mentioned to be prepared, and therefore did approve and adopt said plans and specifications; and

WHEREAS, the City Council for the City did cause to be published for the time and in the manner required by law, a Notice inviting sealed bids for the performance of said work; and

WHEREAS, the Contractor, in response to such Notice, submitted to the City Council for the City within the time specified in said Notice, and in the manner provided for therein, a sealed bid for the performance of the work specified in said plans and specifications, which said bid and proposal, and other bids and proposals submitted in response to said Notice, the City Council of public opened and canvassed in the manner provided by law; and

WHEREAS, the Contractor was the lowest responsible bidder for the performance of said work, and said City Council for the City as a result of the canvass of said bids, did determine and declare Contractor to be the lowest responsible bidder for said work and award to a contract therefore.

NOW THEREFORE, in consideration of the promises herein, it is mutually agreed between the parties hereto as follows:

Section 1. CONTRACT DOCUMENTS. The following documents are by this reference incorporated in and made a part of this Agreement: The County of Sacramento, Standard Construction Specifications dated January 2008; the Special Provisions; the contract drawings, all addenda; the Notice to Contractors; the Proposal; all required bonds; and all supplemental Agreements covering alterations, amendments, or extensions to the contract. The documents which describe the work to be performed are sometimes collectively referred to herein as the Plans and Specifications.

Section 2. SCOPE OF WORK. That the Contractor will furnish all labor, materials, services, transportation, appliances, and mechanical workmanship required for Contract No.117-2009, as provided for and set forth in said plans and specifications, or in either of them, which said plans and specifications are hereby referred and by such reference incorporated herein and made a part of this Agreement. All of the said work done under this Agreement shall be under the supervision of and performed to the satisfaction of Public Works Director of City of Rancho Cordova who shall have the right to reject any and all materials and supplies furnished by the Contractor which do not comply with said plans and specifications, together with the right to require the Contractor to replace any and all work furnished by the Contractor which shall not either in workmanship or material be in strict accordance with said plans and specifications.

Section 3. COMPLETION. Said work shall be completed and ready for acceptance.

Section 4. PAYMENT. Attached hereto as Exhibit "A" and by reference made a part hereof, is the bid and proposal of Contractor. Said bid and proposal will contain, as required by the terms of said specifications, the full and complete schedule of the different items with the lump sums or unit prices as so specified. The City agrees in consideration of the work to be performed herein and subject to the terms and conditions thereof, to pay Contractor all sums of money which may become due to Contractor in accordance with the terms of the aforesaid bid and proposal, and this Agreement, to wit: Seven Million, Six Hundred and Eighty Four Thousand, Four Hundred and Eight Dollars (\$7,684,408). Said sum shall be paid in accordance with Section 8 of the Standard Specifications. With respect to that portion of the above sum as is based upon the estimated quantities specified for the general scope of the work to be performed herein, actual payment will be based upon the quantities as measured upon completion. No payment made under this Agreement shall be construed to be an acceptance of defective work or improper materials.

Section 5. PREVAILING WAGES. Pursuant to the provisions of Articles 1 and 2 of Chapter 1, Part 7, Division II, of the Labor Code of the State of California, not less than the general prevailing rate of per diem wages, and not less than the general prevailing rate of per diem wages for holidays and overtime work, for each craft, classification or type of worker needed to execute the work contemplated under this Agreement shall be paid to all workers, laborers and mechanics employed in the execution of said work by Contractor, or by any subcontractor doing or contracting to do any part of said work. The appropriate determination of the Director of the California Department of Industrial Relations is filed with, and available for inspection at City of Rancho Cordova, the office of the Clerk of the City. Contractor shall post, at each job site, a copy of such prevailing rate of per diem wages as determined by the Director for the California Department of Industrial Relations.

Section 6. INSURANCE. The Contractor shall carry and maintain during the life of this Agreement, such public liability, property damage and contractual liability, auto, worker's compensation and builders' risk insurance as required by the specifications.

Section 7. WORKERS' COMPENSATION CERTIFICATION. By execution of this Agreement, the Contractor certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

Section 8. PERFORMANCE AND PAYMENT BONDS. The Contractor shall, before beginning said work, file two bonds with the City, each made payable to the City. These bonds shall be issued by a surety company authorized to do business in the State of California, and shall be maintained during the entire life of the Agreement at the expense of the Contractor. One bond shall be in the amount of one hundred percent (100%) of the Agreement and shall guarantee the faithful performance of the Agreement. The second bond shall be the payment bond required by California Civil Code Division 3, Part 4, Title 15, Chapter 7, and shall be in the amount of one hundred percent (100%) of the Agreement. Any alterations made in the specifications which are a part of this Agreement or in any provision of this Agreement shall not operate to release any surety from liability on any bond required hereunder and the consent to

make such alterations is hereby given, and any surety on said bonds hereby waives the provisions of California Civil Code Sections 2819 and 2845.

Section 9. INDEMNIFICATION. The Contractor shall defend, indemnify the City and save harmless the (including their officers, agents, members, employees, affiliates, and representatives) as set forth in Section 6-2 of the Standard Specifications.

Section 10. MISCELLANEOUS PROVISIONS.

10.1 This Agreement shall bind and inure to the heirs, devisees, assignees, and successors in interest of Contractor and to the successors in interest of in the same manner as if such parties had been expressly named herein. All times states herein or in the contract documents are of the essence hereof. As used in this instrument the singular includes the plural, and the masculine includes the feminine and the neuter. This Agreement may create a possessory interest subject to property taxation, and Contractor may be subject to the payment of property taxes levied on such interest.

10.2 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.

10.3 Notices. Any written notice to Contractor shall be sent to:

Michael A. Kloos
DeSilva Gates Construction Inc.
11555 Dublin Boulevard
Dublin, Ca 94568

Any written notice to City shall be sent to:

Kathy Garcia
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

10.4 IRS Form W-9. Contractor 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 City Council and Contractor have caused this Agreement to be executed as of the day and year first above written.

CITY OF RANCHO CORDOVA:

CONTRACTOR:

Ted A. Gaebler, City Manager

Michael A. Kloos, Vice President

Date

Date

Attest:

Mindy Cuppy, City Clerk

Date

Approved as to Form:

Adam U. Lindgren, City Attorney

Date

**CITY OF RANCHO CORDOVA
DEPARTMENT OF PUBLIC WORKS**

BID

FOR

INTERNATIONAL DRIVE EXTENSION

IN

RANCHO CORDOVA, CALIFORNIA

For use in Connection with Standard Specifications and Standard Plans of the California Department of Transportation, and the Labor Surcharge and Equipment Rental Rates in effect on the date the work is accomplished.

Federal Aid Project No. EREC-5482(002)

Bid Opening Date: 3:00 PM, September 24, 2009

TABLE OF CONTENTS

	Page No.
BID	3
BID ITEM LIST	6
LIST OF SUBCONTRACTORS	10
EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION	11
PUBLIC CONTRACT CODE (Statements, Questionnaire and Non-collusion Affidavit)	12
NONCOLLUSION AFFIDAVIT	13
DEBARMENT AND SUSPENSION CERTIFICATION	14
NONLOBBYING CERTIFICATION	15
DISCLOSURE OF LOBBYING ACTIVITIES	16
BIDDER'S BOND	20
LOCAL AGENCY BIDDER - UDBE COMMITMENT (CONSTRUCTION CONTRACTS), EXHIBIT 15-G1	21
UDBE INFORMATION - GOOD FAITH EFFORTS, EXHIBIT 15-H	24
LOCAL AGENCY BIDDER - DBE INFORMATION (CONSTRUCTION CONTRACTS), EXHIBIT 15-G2	26
DATA UNIVERSAL NUMBERING SYSTEM (D-U-N-S) NUMBER	28
CERTIFICATION OF COMPLIANCE WITH CORT ORDERED CHILD SUPPORT	29
SAMPLE CONTRACT	30
PAYMENT BOND	33
PERFORMANCE BOND	35
DISADVANTAGED BUSINESS ENTERPRISES (DBE) CERTIFICATION STATUS CHANGE FORM (17-0)	37
BIDDER'S LIST OF SUBCONTRACTORS (DBE and NON-DBE) PART I (12-G)	39
BIDDER'S LIST OF SUBCONTRACTORS (DBE and NON-DBE) PART II (12-G)	40

BID TO THE CITY OF RANCHO CORDOVA

DEPARTMENT OF PUBLIC WORKS

NAME OF CONTRACTOR DESILVA GATES CONSTRUCTION L.P.
BUSINESS P.O. BOX P.O. BOX 2909
CITY, STATE, ZIP DUBLIN, CA 94568
BUSINESS STREET ADDRESS 11555 DUBLIN BOULEVARD
(Please include even if P.O. Box used)
CITY, STATE, ZIP DUBLIN, CA 94568
TELEPHONE NO: AREA CODE (925) 829-9220
FAX NO: AREA CODE (925) 803-4263
CONTRACTOR LICENSE NO. 704195

BIDDER'S NAME AND TITLE: MICHAEL A. KLOOS, VICE PRESIDENT
SIGNATURE: Michael A Kloos

The work for which this bid is submitted is for construction in conformance with the special provisions (including the payment of not less than the State general prevailing wage rates or Federal minimum wage rates), the project plans described below, including any addenda thereto, the contract annexed hereto, and also in conformance with the California Department of Transportation Standard Plans, dated May 2006, the Standard Specifications, dated May 2006, and the Labor Surcharge and Equipment Rental Rates in effect on the date the work is accomplished.

The special provisions for the work to be done are dated May 28, 2009 and are entitled:

**CITY OF RANCHO CORDOVA
DEPARTMENT OF PUBLIC WORKS
NOTICE TO BIDDERS AND SPECIAL PROVISIONS FOR**

*INTERNATIONAL DRIVE EXTENSION
IN
RANCHO CORDOVA, CALIFORNIA*

The project plans for the work to be done were approved May 28, 2009 and are entitled:

**CITY OF RANCHO CORDOVA
DEPARTMENT OF PUBLIC WORKS
PROJECT PLANS FOR**

*INTERNATIONAL DRIVE EXTENSION
IN
RANCHO CORDOVA, CALIFORNIA*

Bids are to be submitted for the entire work. The amount of the bid for comparison purposes will be the total of all items.

The bidder shall set forth for each unit basis item of work a unit price and a total for the item, and for each lump sum item a total for the item, all in clearly legible figures in the respective spaces provided for that purpose. In the case of unit basis items, the amount set forth under the "Item Total" column shall be the product of the unit price bid and the estimated quantity for the item.

In case of discrepancy between the unit price and the total set forth for a unit basis item, the unit price shall prevail, except as provided in (a) or (b), as follows:

- (a) If the amount set forth as a unit price is unreadable or otherwise unclear, or is omitted, or is the same as the amount as the entry in the item total column, then the amount set forth in the item total column for the item shall prevail and shall be divided by the estimated quantity for the item and the price thus obtained shall be the unit price;
- (b) (Decimal Errors) If the product of the entered unit price and the estimated quantity is exactly off by a factor of ten, one hundred, etc., or one-tenth, or one-hundredth, etc. from the entered total, the discrepancy will be resolved by using the entered unit price or item total, whichever most closely approximates percentage-wise the unit price or item total in the *CITY OF RANCHO CORDOVA's* Final Estimate of cost.

If both the unit price and the item total are unreadable or otherwise unclear, or are omitted, the bid may be deemed irregular. Likewise if the item total for a lump sum item is unreadable or otherwise unclear, or is omitted, the bid may be deemed irregular unless the project being bid has only a single item and a clear, readable total bid is provided.

Symbols such as commas and dollar signs will be ignored and have no mathematical significance in establishing any unit price or item total or lump sums. Written unit prices, item totals and lump sums will be interpreted according to the number of digits and, if applicable, decimal placement. Cents symbols also have no significance in establishing any unit price or item total since all figures are assumed to be expressed in dollars and/or decimal fractions of a dollar. Bids on lump sum items shall be item totals only; if any unit price for a lump sum item is included in a bid and it differs from the item total, the items total shall prevail.

The foregoing provisions for the resolution of specific irregularities cannot be so comprehensive as to cover every omission, inconsistency, error or other irregularity which may occur in a bid. Any situation not specifically provided for will be determined in the discretion of the *CITY OF RANCHO CORDOVA*, and that discretion will be exercised in the manner deemed by the *CITY OF RANCHO CORDOVA* to best protect the public interest in the prompt and economical completion of the work. The decision of the *CITY OF RANCHO CORDOVA* respecting the amount of a bid, or the existence or treatment of an irregularity in a bid, shall be final.

If this bid shall be accepted and the undersigned shall fail to enter into the contract and furnish the 2 bonds in the sums required by the State Contract Act, with surety satisfactory to the *CITY OF RANCHO CORDOVA*, within 8 days, not including Saturdays, Sundays and legal holidays, after the bidder has received notice from the *CITY OF RANCHO CORDOVA* that the contract has been awarded, the *CITY OF RANCHO CORDOVA* may, at its option, determine that the bidder has abandoned the contract, and thereupon this bid and the acceptance thereof shall be null and void and the forfeiture of the security accompanying this bid shall operate and the same shall be the property of the *CITY OF RANCHO CORDOVA*.

The undersigned, as bidder, declares that the only persons or parties interested in this bid as principals are those named herein; that this bid is made without collusion with any other person, firm, or corporation; that he has carefully examined the location of the proposed work, the annexed proposed form of contract, and the plans therein referred to; and he proposes, and agrees if this bid is accepted, that he will contract with the *CITY OF RANCHO CORDOVA*, in the form of the copy of the contract annexed hereto, to provide all necessary machinery, tools, apparatus and other means of construction, and to do all the work and furnish all the materials specified in the contract, in the manner and time therein prescribed, and according to the requirements of the Engineer as therein set forth, and that he will take in full payment therefore the following prices, to wit:

INTERNATIONAL DRIVE EXTENSION					
CITY OF RANCHO CORDOVA					
Revised Bid Schedule					
ITEM NO.	ITEM DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
General					
1	SWPPP Preparation, Approval & Updates	1	LS	1000-	1000-
2	Erosion, Sediment & Water Pollution Control	1	ALLOWANCE	\$175,000	\$175,000
3	Traffic Control Plan	1	LS	1000-	1000-
4	Construction Area Signs	1	LS	2000-	2000-
5	Mobilization	1	LS	783,000-	783,000-
Roadways					
6	Clearing and Grubbing	1	LS	100,000-	100,000-
7	Erosion Control (Hydroseed)	6,534	SY	0.50	3267-
8	Roadway Excavation	15,040	CY	28-	421,120-
9	Imported Borrow	1,900	CY	2-	3800-
10	Unsuitable Excavation and Replacement	1	ALLOWANCE	\$8,000	\$8,000
11	Geotextile Fabric	1	ALLOWANCE	\$2,500	\$2,500
12	Asphalt Concrete, Type A	6,424	TN	66-	423,984-
13	Asphalt Rubber Hot Mix-Gap Graded (ARHM-GG)	1,351	TN	70-	94,570-
14	Aggregate Base, Class 2	13,440	CY	36-	483,840-
15	Cape Seal	518,293	SF	0.38	196,951.34
16	Cold Plane Asphalt Concrete	16,533	SF	1-	16533-
17	Place AC DiKE (Type A)	536	LF	5-	2680-
18	Grind Median Curb	3,417	LF	3-	10251-
19	P.C.C. Curb & Gutter Type 1A	53	LF	40-	2,120-
20	P.C.C. Curb & Gutter Type 2	4,457	LF	15-	66,855-
21	P.C.C. Curb & Gutter Type 2 Reinforced	805	LF	20-	16,100-
22	P.C.C. Curb & Gutter Type 2 (Mod)	1,752	LF	11-	19,272-
23	P.C.C. Curb Type 3	1,018	LF	12-	12,216-
24	P.C.C. Curb Type 4	5,700	LF	8-	45,600-
25	P.C.C. Curb Type 5	4,757	LF	11-	52,327-
26	P.C.C. Curb Type 6	58	LF	20-	1,160-
27	P.C.C. Sidewalk	41,119	SF	3-	123,357-
28	P.C.C. Driveway, Type A-6	5	EA	5,000-	25,000-
29	Detectable Warning Surface	15	EA	300-	4,500-
30	Precast Concrete Manhole (72" SDMH)	1	EA	10,000-	10,000-
31	Saddle Manhole (Type A)	3	EA	25,000-	75,000-
32	Precast Concrete Manhole (48" SDMH)	3	EA	5,000-	15,000-
33	Adjust Storm Drain Manhole Cover To Grade	2	EA	1,000-	2,000-
34	Drop Inlet (Type B)	14	EA	2,000-	28,000-
35	Drop Inlet (Type B Modified)	2	EA	2,000-	4,000-
36	Drop Inlet (Type C)	1	EA	2,000-	2,000-
37	Drop Inlet (Type F)	3	EA	4,000-	12,000-

38	ADA Flat Grate	1	EA	1,000.-	1,000.-
39	Modify Drop Inlet	2	EA	2,000.-	4,000.-
40	3" PVC SCH 80 Drain Pipe	155	LF	100.-	15,500.-
41	6" PVC SCH 40 Drain Pipe	183	LF	30.-	5,490.-
42	8" PVC SCH 40 Drain Pipe	17	LF	30.-	510.-
43	12" RCP Class III	739	LF	125.-	92,375.-
44	12" RCP Class IV	1,605	LF	60.-	96,300.-
45	Remove Drop Inlet	7	EA	3,000.-	21,000.-
46	Abandon and Cap Pipe	1	EA	500.-	500.-
47	Adjust Sewer Manhole to Grade	1	EA	1,500.-	1,500.-
48	Traffic Stripe Removal	27,295	LF	0.32	8,188.50
49	Detail 1 - Thermoplastic Striping	568	LF	1.-	568
50	Detail 9 - Thermoplastic Striping	26,393	LF	0.25	6,598.25
51	Detail 29 - Thermoplastic Striping	584	LF	0.50	292.-
52	Detail 32 - Thermoplastic Striping	2,950	LF	0.50	1,475.-
53	Detail 37B - Thermoplastic Striping	402	LF	0.50	201.-
54	Detail 38 - Thermoplastic Striping	4,226	LF	0.50	2,113.-
55	Detail 38A - Thermoplastic Striping	2,712	LF	0.50	1,356.-
56	Detail 39 - Thermoplastic Striping	10,866	LF	0.50	5,433.-
57	Detail 39A - Thermoplastic Striping	363	LF	0.50	181.50
58	Detail 40 - Thermoplastic Striping	378	LF	0.50	189.-
59	4" White Thermoplastic Striping	796	LF	0.50	398.-
60	4" Yellow Thermoplastic Striping	1,078	LF	0.50	539.-
61	Pavement Markings - Thermoplastic	2,863	SF	3.-	8,589.-
62	Pavement Marker (Type C)	28	EA	4.-	112.-
63	Pavement Marker (Type D)	416	EA	4.-	1,664.-
64	Pavement Marker (Type G)	179	EA	4.-	716.-
65	Pavement Marker (Type H) (Detail 26, Detail 9)	840	EA	4.-	3,360.-
66	Relocate Roadside Sign	9	EA	150.-	1,350.-
67	Install Roadside Sign	72	EA	150.-	10,800.-
68	Remove Roadside Sign	13	EA	100.-	1,300.-
69	Water Distribution System	1	LS	45,000.-	45,000.-
70	Traffic Signal Installation	2	EA	140,000.-	280,000.-
71	Traffic Signal Interconnect	1	LS	50,000.-	50,000.-
72	Street Lights	25	EA	5,000.-	125,000.-
73	Remove Street Lights	5	EA	600.-	3,000.-
74	Metal Beam Guard Rail	70	LF	40.-	2,800.-
75	Transition Railing (Type WB)	1	EA	3,500.-	3,500.-
76	Terminal Anchor Assembly (Type SFT)	1	EA	800.-	800.-
77	Metal Beam Railing Terminal System (Type ET)	1	EA	3,500.-	3,500.-
78	Concrete Barrier (Type 26 Mod)	80	LF	75.-	6,000.-
79	Open Bottom Concrete Box (SMUD)	2	EA	1,000.-	2,000.-
80	6" PVC SCH 40 Conduit	300	LF	12.-	3,600.-
81	Remove and Replace Chain Link Fence	4,668	LF	20.-	93,360.-

82	Typical Single Swing Gate	2	EA	2000	4000
83	Single Pipe Gate with Bike Access	2	EA	3000	6000
84	Tree Removal (18")	4	EA	700	2,800
85	Changeable Message Sign	2	EA	5000	10000
86	Removable Bollard	1	EA	1000	1000
Structures					
87	Structure Excavation (Bridge)	2,210	CY	50	110,500
88	Structure Backfill (Bridge)	1,311	CY	50	65,550
89	Structure Excavation (Retaining Wall)	1,768	CY	20	35,360
90	Structure Backfill (Retaining Wall)	2,165	CY	35	75,775
91	24 " CIDH Concrete Piling	6,887	LF	62	426,994
92	Not Used				
93	Structural Concrete, Bridge Footing	450	CY	200	90,000
94	Structural Concrete, Bridge	1,078	CY	680	733,040
95	Structural Concrete, Approach Slab (Type N)	163	CY	200	32,600
96	Structural Concrete, Retaining Wall	656	CY	500	328,000
97	Furnish Precast/Prestressed Slabs (Type S-IV)	6,160	SF	30	184,800
98	Furnish Precast/Prestressed Girders (100ft-120ft)	19	EA	15,000	285,000
99	Erect Precast/Prestressed Slabs	36	EA	500	18,000
100	Erect Precast/Prestressed Girders	19	EA	3,000	57,000
101	Bar Reinforcing Steel (Bridge)	230,000	LB	0.70	161,000
102	Bar Reinforcing Steel (Retaining Wall)	95,640	LB	0.70	66,948
103	Slope Paving	37	CY	500	18,500
104	Architectural Treatment/Prepare and Paint Concrete Surfaces	1,860	SF	25	46,500
105	Concrete Barrier (Type 26 MOD)	386	LF	100	38,600
106	Concrete Barrier (Type 736A)	880	LF	75	66,000
107	Joint Seal (MR=1/2")	446	LF	25	11,150
108	Geocomposite Drain (Bridge)	3,435	SF	5	17,175
109	Geocomposite Drain (Retaining Walls)	5,315	SF	5	26,575
110	Masonry (8" Split Face CMU) Soundwall	9,432	SF	14	132,048
111	Minor Concrete (Soundwall Footing)	150	CY	300	45,000
112	Conduit and Supports (Bridge)	380	LF	75	28,500
113	Miscellaneous Iron and Steel (Grating)	18,000	LB	1.50	27,000
114	Tubular Handrailing (Includes Clean and Paint Bridge Railing)	320	LF	100	32,000
115	Structural Steel (Bridge)	10,000	LB	1.50	15,000
116	Clean and Paint Structural Steel	1	LS	5,000	5,000
Landscape and Irrigation					
117	Landscape Clearing and Grubbing	1	LS	5,000	5,000
118	Topsoil	480	CY	20	9,600
119	Colored & Stamped Concrete	15,800	SF	5	79,000
120	6" Concrete Mowcurb	890	LF	10	8,900
121	Root Control Barrier	1,900	LF	5	9,500
122	Grouted Cobble	35	SF	35	1,225
123	Cobble lined swale 3' wide along International Dr.	2,323	SF	3	6,969
124	Cobble and Decomposed Granite on Sunrise Blvd.	15,000	SF	3	45,000
125	1" Reduced Backflow Preventer (POC 'A')	1	EA	1,000	1,000
126	Irrigation Electrical (POC 'A')	1	LS	3,000	3,000
127	Irrigation Controller (POC 'A')	1	EA	1,000	1,000

128	Irrigation System (POC 'A')	23,750	SF	1.-	23,750.-
129	24" Box Trees	50	EA	200.-	10,000.-
130	5 Gallon Shrubs	625	EA	10.-	6,250.-
131	1 Gallon Ground Cover	2,225	EA	4.-	8,900.-
132	Landscape Area Drains	8	EA	250.-	2,000.-
133	6" Landscape Drain Pipe	406	LF	15.-	6,090.-
134	Soil Amendments and Finish Grading	23,750	SF	0.20	4,750.-
135	Bark Mulch (3" Depth)	240	CY	40.-	9,600.-
136	120 Day Plant Establishment Period (Sunrise/International)	1	LS	1000.-	1,000.-
Alternative Bid Sunrise Medians Landscape, Irrigation & Planting					
117A	Landscape Clearing and Grubbing	1	LS	5,000.-	5,000.-
118A	Topsoil	480	CY	20.-	9,600.-
119A	Colored & Stamped Concrete	15,800	SF	5.-	79,000.-
120A	6" Concrete Mowcurb	890	LF	10.-	8,900.-
121A	Root Control Barrier	1,900	LF	5.-	9,500.-
122A	Grouted Cobble	35	SF	35.-	1,225.-
123A	Cobble lined swale 3' wide along International Dr.	2,323	SF	3.-	6,969.-
124A	1" Reduced Backflow Preventer (POC 'A')	1	EA	1000.-	1,000.-
125A	Irrigation Electrical (POC 'A')	1	LS	3000.-	3,000.-
126A	Irrigation Controller (POC 'A')	1	EA	1000.-	1,000.-
127A	Irrigation System (POC 'A')	23,750	SF	1.-	23,750.-
128A	24" Box Trees	50	EA	200.-	10,000.-
129A	5 Gallon Shrubs	625	EA	10.-	6,250.-
130A	1 Gallon Ground Cover	2,225	EA	4.-	8,900.-
131A	Landscape Area Drains	4	EA	250.-	1,000.-
132A	6" Landscape Drain Pipe	406	LF	15.-	6,090.-
133A	Soil Amendments and Finish Grading	23,750	SF	0.20	4,750.-
134A	Bark Mulch (3" Depth)	240	CY	40.-	9,600.-
135A	Remove Existing Cobble and Asphalt within Sunrise medians	1	LS	5000.-	5,000.-
136A	Topsoil On Sunrise (18" depth)	959	CY	20.-	19,180.-
137A	Irrigation Electrical (POC 'B')	1	LS	2000.-	2,000.-
138A	Irrigation Controller (POC 'B')	1	EA	1000.-	1,000.-
139A	Irrigation System (POC 'B')	17,264	SF	1.-	17,264.-
140A	Booster Pump (POC 'B')	1	EA	10,000.-	10,000.-
141A	5 Gallon Shrubs On Sunrise	700	EA	10.-	7,000.-
142A	1 Gallon Ground Cover On Sunrise	2,000	EA	4.-	8,000.-
143A	Soil Amendments and Finish Grading On Sunrise	17,264	SF	0.20	3,452.80
144A	Bark Mulch On Sunrise (3" Depth)	160	CY	40.-	6,400.-
145A	120 Day Plant Establishment Period (Sunrise/International)	1	LS	1000.-	1,000.-

TOTAL BASE BID \$ 7,604,110.⁵⁹TOTAL ALTERNATE BID \$ 275,830.⁸⁰TOTAL BASE BID PRICE (IN WORDS) Seven Million, six hundred and four thousand, one hundred ten dollars and fifty nine cents.TOTAL ALTERNATE BID PRICE (IN WORDS) Two hundred seventy-five Thousand, eight hundred thirty dollars and eighty cents.

NOTE: Bidders shall use this form to provide unit prices for all APPLICABLE, non-procedural BMP's that will be used in the Contractor prepared SWPPP. This form must be submitted with the Contractor's proposal. In accordance with "Erosion, Sediment And Water Pollution Control," elsewhere in these Special Provisions, these unit prices will be used to determine the total amount to be paid for work included in the Allowance for water pollution control.

ATTACHMENT "B"
SCHEDULE OF VALUES
CONSTRUCTION SITE BMP's

TEMPORARY SOIL STABILIZATION BMP's	UNIT	UNIT PRICE
Scheduling	NONE	PROCEDURAL
Preservation of Existing Vegetation	NONE	PROCEDURAL
Hydraulic Matrix	AC	4000 ⁻
Hydro-seeding	AC	3600 ⁻
Bonded Fiber Matrix	AC	5000 ⁻
Blow Straw Mulch	AC	5000 ⁻
Geotextiles, Plastic Covers & Erosion Control Blankets/Mats	AC	20000 ⁻
Wood Mulching	AC	10000 ⁻
Earth Dikes/Drainage Swales & Lined Ditches	LF	10 ⁻
Outlet Protection/Velocity Dissipation Devices	EA	8000 ⁻
Slope Drains	LF	40 ⁻
TEMPORARY SEDIMENT CONTROL BMP's	UNIT	UNIT PRICE
Silt Fence	LF	5 ⁻
De-Silting Basin	EA	25000 ⁻
Sediment Trap	EA	500 ⁻
Check Dam	EA	500 ⁻
Fiber Rolls	LF	5 ⁻
Gravel Bag Berm	LF	5 ⁻
Street Sweeping and Vacuuming	NONE	PROCEDURAL
Gravel Bag	EA	5 ⁻

TEMPORARY SOIL STABILIZATION BMP's	UNIT	UNIT PRICE
Storm Drain Inlet Protection (Type 2)	EA	600 ⁻
Storm Drain Inlet Filter Bag	EA	300 ⁻
Wind Erosion Control	AC	5000 ⁻
TRACKING CONTROL BMP's	UNIT	UNIT PRICE
Stabilized Construction Entrance/Exit	EA	5000 ⁻
Stabilized Construction Roadway	SY	25 ⁻
Entrance/Outlet Tire Wash	SY	300 ⁻
NON-STORM WATER MANAGEMENT BMP'S	UNIT	UNIT PRICE
Water Conservation Practices	NONE	PROCEDURAL
Dewatering Operations	LS	100,000 ⁻
Paving & Grinding Operations	NONE	PROCEDURAL
Temporary Stream Crossing	EA	50000 ⁻
Clear Water Diversion	LS	100,000 ⁻
Illicit Discharge Detection & Reporting	NONE	PROCEDURAL
Potable Water/Irrigation	NONE	PROCEDURAL
Vehicle and Equipment Cleaning Areas	NONE	PROCEDURAL
Vehicle and Equipment Fueling Areas	NONE	PROCEDURAL
Vehicle and Equipment Maintenance Areas	NONE	PROCEDURAL
WASTE MANAGEMENT AND MATERIALS POLLUTION CONTROL BMP's	UNIT	UNIT PRICE
Material Delivery and Storage	NONE	PROCEDURAL
Material Use	NONE	PROCEDURAL
Asphalt Concrete Stockpiles	NONE	PROCEDURAL
Spill Prevention and Control	NONE	PROCEDURAL

TEMPORARY SOIL STABILIZATION BMP's	UNIT	UNIT PRICE
Solid Waste Management	NONE	PROCEDURAL
Hazardous Waste Management	NONE	PROCEDURAL
Contaminated Soil Management	NONE	PROCEDURAL
Concrete Waste Management	NONE	PROCEDURAL
Sanitary/Septic Waste Management	NONE	PROCEDURAL
Liquid Waste Management	NONE	PROCEDURAL

The Bidder shall list the name and address of each subcontractor to whom the Bidder proposes to subcontract portions of the work, as required by the provisions in Section 2-1.01, "General," of the special provisions.

LIST OF SUBCONTRACTORS

<u>Name and Address</u>	<u>Description of Portion of Work Subcontracted</u>
RNR Construction, Sacramento, CA	Bridge / (Partial)
Pacific Excavation, Elk Grove, CA	Electrical
FBD Vanguard Construction, Livermore, CA	Minor Concrete
FBD Vanguard Construction,	Minor Concrete Structures
MAK Central Fence Company, Sacramento, CA	Fence / Guardrail
Aerco Pacific, Inc., Rancho Cordova, CA	Landscape
Chrisp Company, Fremont, CA	Striping / Roadside Signs
Valley Slurry Seal Company, West Sacramento, CA	Slurry Seal
MAK Marques Pipeline, Sacramento, CA	Underground (Partial)
AC Dike Company, Lincoln, CA	AC Dike
Crusader Fence Company, Inc. Rancho Cordova, CA	Fence / Guardrail
MAK Sanco Pipeline, Inc. Campbell, CA	Underground / Minor Concrete Structures (Partial)
Preston Pipelines Milpitas, CA	Underground (Partial)

(THE BIDDER'S EXECUTION ON THE SIGNATURE PORTION OF THIS BID SHALL ALSO CONSTITUTE AN ENDORSEMENT AND EXECUTION OF THOSE CERTIFICATIONS WHICH ARE A PART OF THIS BID)

EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

The bidder DESILVA GATES CONSTRUCTION L.P.,
proposed subcontractor _____, hereby
certifies that he has X, has not _____, participated in a previous contract or subcontract subject
to the equal opportunity clauses, as required by Executive Orders 10925, 11114, or 11246, and
that, where required, he has filed with the Joint Reporting Committee, the Director of the Office
of Federal Contract Compliance, a Federal Government contracting or administering agency, or
the former President's Committee on Equal Employment Opportunity, all reports due under the
applicable filing requirements.

Note: The above certification is required by the Equal Employment Opportunity Regulations of the
Secretary of Labor (41 CFR 60-1.7(b) (1)), and must be submitted by bidders and proposed
subcontractors only in connection with contracts and subcontracts which are subject to the equal
opportunity clause. Contracts and subcontracts which are exempt from the equal opportunity
clause are set forth in 41 CFR 60-1.5. (Generally only contracts or subcontracts of \$10,000 or
under are exempt.)

Currently, Standard Form 100 (EEO-1) is the only report required by the Executive Orders or their
implementing regulations.

Proposed prime contractors and subcontractors who have participated in a previous contract or
subcontract subject to the Executive Orders and have not filed the required reports should note
that 41 CFR 60-1.7(b) (1) prevents the award of contracts and subcontracts unless such
contractor submits a report covering the delinquent period or such other period specified by the
Federal Highway Administration or by the Director, Office of Federal Contract Compliance, U.S.
Department of Labor.

PUBLIC CONTRACT CODE

Public Contract Code Section 10285.1 Statement

In conformance with Public Contract Code Section 10285.1 (Chapter 376, Stats. 1985), the bidder hereby declares under penalty of perjury under the laws of the State of California that the bidder has _____, has not X been convicted within the preceding three years of any offenses referred to in that section, including any charge of fraud, bribery, collusion, conspiracy, or any other act in violation of any state or Federal antitrust law in connection with the bidding upon, award of, or performance of, any public works contract, as defined in Public Contract Code Section 1101, with any public entity, as defined in Public Contract Code Section 1100, including the Regents of the University of California or the Trustees of the California State University. The term "bidder" is understood to include any partner, member, officer, director, responsible managing officer, or responsible managing employee thereof, as referred to in Section 10285.1.

Note: The bidder must place a check mark after "has" or "has not" in one of the blank spaces provided. The above Statement is part of the Bid. Signing this Bid on the signature portion thereof shall also constitute signature of this Statement. Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

Public Contract Code Section 10162 Questionnaire

In conformance with Public Contract Code Section 10162, the Bidder shall complete, under penalty of perjury, the following questionnaire:

Has the bidder, any officer of the bidder, or any employee of the bidder who has a proprietary interest in the bidder, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation?

Yes _____ No X

If the answer is yes, explain the circumstances in the following space.

Public Contract Code 10232 Statement

In conformance with Public Contract Code Section 10232, the Contractor, hereby states under penalty of perjury, that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two year period because of the Contractor's failure to comply with an order of a federal court which orders the Contractor to comply with an order of the National Labor Relations Board.

Note: The above Statement and Questionnaire are part of the Bid. Signing this Bid on the signature portion thereof shall also constitute signature of this Statement and Questionnaire.

Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

Noncollusion Affidavit

(Title 23 United States Code Section 112 and Public Contract Code Section 7106)

To the CITY OF RANCHO CORDOVA
DEPARTMENT OF PUBLIC WORKS

In conformance with Title 23 United States Code Section 112 and Public Contract Code 7106 the bidder declares that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Note: The above Noncollusion Affidavit is part of the Bid. Signing this Bid on the signature portion thereof shall also constitute signature of this Noncollusion Affidavit.

Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

DEBARMENT AND SUSPENSION CERTIFICATION

TITLE 49, CODE OF FEDERAL REGULATIONS, PART 29

The bidder, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal agency within the past 3 years;
- does not have a proposed debarment pending; and
- has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

Exceptions will not necessarily result in denial of award, but will be considered in determining bidder responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Notes: Providing false information may result in criminal prosecution or administrative sanctions. The above certification is part of the Bid. Signing this Bid on the signature portion thereof shall also constitute signature of this Certification.

NONLOBBYING CERTIFICATION FOR FEDERAL-AID CONTRACTS

The prospective participant certifies, by signing and submitting this bid or bid, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in conformance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, and U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The prospective participant also agrees by submitting his or her bid or bid that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such sub recipients shall certify and disclose accordingly.

DISCLOSURE OF LOBBYING ACTIVITIES

COMPLETE THIS FORM TO DISCLOSE LOBBYING ACTIVITIES PURSUANT TO 31 U.S.C. 1352

1. Type of Federal Action:☐

- a. contract
b. grant
c. cooperative agreement
d. loan
e. loan guarantee
f. loan insurance

2. Status of Federal Action:☐

- a. bid/offer/application
b. initial award
c. post-award

3. Report Type:☐

- a. initial
b. material change

For Material Change Only:

year _____ quarter _____
date of last report _____

4. Name and Address of Reporting Entity☐ Prime☐ Subawardee

Tier _____, if known

5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:

Congressional District, if known

6. Federal Department/Agency:

Congressional District, if known

7. Federal Program Name/Description:

CFDA Number, if applicable _____

8. Federal Action Number, if known:**9. Award Amount, if known:****10. a. Name and Address of Lobby Entity**
(If individual, last name, first name, MI)**b. Individuals Performing Services** (including address if different from No. 10a)
(last name, first name, MI)

(attach Continuation Sheet(s) if necessary)

11. Amount of Payment (check all that apply)\$ _____ ☐ actual ☐ planned**13. Type of Payment (check all that apply)**☐
☐
☐
☐
☐
☐

- a. retainer
b. one-time fee
c. commission
d. contingent fee
e. deferred
f. other, specify _____

12. Form of Payment (check all that apply):☐
☐

- a. cash
b. in-kind; specify: nature _____
value _____

14. Brief Description of Services Performed or to be performed and Date(s) of Service, including officer(s), employee(s), or member(s) contacted, for Payment Indicated in Item 11:

(attach Continuation Sheet(s) if necessary)

15. Continuation Sheet(s) attached:Yes ☐No ☐

16. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. This disclosure of lobbying reliance was placed by the tier above when his transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature: _____

Print Name: _____

Title: _____

Telephone No.: _____ Date: _____

Federal Use Only:Authorized for Local Reproduction
Standard Form - LLL

Standard Form LLL Rev. 09-12-97

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of covered Federal action or a material change to previous filing pursuant to title 31 U.S.C. section 1352. The filing of a form is required for such payment or agreement to make payment to lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with a covered Federal action. Attach a continuation sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence, the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last, previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District if known. Check the appropriate classification of the reporting entity that designates if it is or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee" then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organization level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identification in item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant. or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitments for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influenced the covered Federal action.
(b) Enter the full names of the individual(s) performing services and include full address if different from 10 (a). Enter Last Name, First Name and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment

has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.

12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed or will be expected to perform and the date(s) of any services rendered. Include all preparatory and related activity not just time spent in actual contact with Federal officials. Identify the Federal officer(s) or employee(s) contacted or the officer(s) employee(s) or Member(s) of Congress that were contacted.
15. Check whether or not a continuation sheet(s) is attached.
16. The certifying official shall sign and date the form; print his/her name title and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046); Washington, D.C. 20503.

Accompanying this Bid is A "BIDDER'S BOND"

(NOTICE: INSERT THE WORDS "CASH (\$ _____)," "CASHIER'S CHECK," "CERTIFIED CHECK,"
OR "BIDDER'S BOND," AS THE CASE MAY BE)

in amount equal to at least ten percent of the total of the bid.

The names of all persons interested in the foregoing bid as principals are as follows:

IMPORTANT NOTICE

If bidder or other interested person is a corporation, state legal name of corporation, also names of the president, secretary, treasurer, and manager thereof; if a co-partnership, state true name of firm, also names of all individual copartners composing firm; if bidder or other interested person is an individual, state first and last names in full.

DESILVA GATES CONSTRUCTION L.P.

RICHARD B. GATES, PRESIDENT AND GENERAL PARTNER

OLIVER DE SILVA, INC., GENERAL PARTNER

EL PORTAL REAL ESTATE, INC., GENERAL PARTNER

Licensed in conformance with an act providing for the registration of Contractors,

License No. 704195 Classification(s) A, C12, C31

ADDENDA - This Bid is submitted with respect to the changes to the contract included in addenda number/s 1

(Fill in addenda numbers if addenda have been received and insert, in this Bid, any Engineer's Estimate sheets that were received as part of the addenda.)

By my signature on this bid I certify, under penalty of perjury under the laws of the State of California, that the foregoing questionnaire and statements of Public Contract Code Sections 10162, 10232 and 10285.1 are true and correct and that the bidder has complied with the requirements of Section 8103 of the Fair Employment and Housing Commission Regulations (Chapter 5, Title 2 of the California Administrative Code). By my signature on this Bid I further certify, under penalty of perjury under the laws of the State of California and the United States of America, that the Noncollusion Affidavit required by Title 23 United States Code, Section 112 and Public Contract Code Section 7106; and the Title 49 Code of Federal Regulations, Part 29 Debarment and Suspension Certification are true and correct.

Date: 9/24/09



DESILVA GATES CONSTRUCTION L.P.

Michael A. Kloos
MICHAEL A. KLOOS,
VICE PRESIDENT

Signature and Title of Bidder

Business Address P.O. BOX 2909

Place of Business 11555 DUBLIN BOULEVARD

Place of Residence DUBLIN, CA 94568

**CITY OF RANCHO CORDOVA - DEPARTMENT OF PUBLIC WORKS
BIDDER'S BOND**

We, DeSilva Gates Construction, L.P. as Principal, and
* as Surety are bound unto the City
of Rancho Cordova, State of California, hereafter referred to as "Obligee", in the penal sum of
ten percent (10%) of the total amount of the bid of the Principal submitted to the Obligee for the
work described below, for the payment of which sum we bind ourselves, jointly and severally,

* Travelers Casualty and Surety Company of America, Travelers Bond & Financial Products, Construction Services, One Tower Square, Hartford, CT 06183

THE CONDITION OF THIS OBLIGATION IS SUCH, THAT:

WHEREAS, the Principal is submitted to the Obligee, for International Drive Extension in Rancho Cordova,
California, Federal Aid Project No. EREC-5482(002)
(Copy here the exact description of work, including location as it appears on the bid)

for which bids are to be opened at Rancho Cordova, CA on September 24, 2009
(Insert place where bids will be opened) (Insert date of bid opening)

NOW, THEREFORE, if the Principal is awarded the contract and, within the time and manner
required under the specifications, after the prescribed forms are presented to him for signature,
enters into a written contract, in the prescribed form, in conformance with the bid, and files two
bonds with the Obligee, one to guarantee faithful performance of the contract and the other to
guarantee payment for labor and materials as provided by law, then this obligation shall be null
and void; otherwise, it shall remain in full force.

In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety
shall pay all costs incurred by the Obligee in such suit, including a reasonable attorney's fee to
be fixed by the court.

Dated: September 24, 2009

DeSilva Gates Construction, L.P.

11555 Dublin Boulevard, Dublin, CA 94568

By: Michael A. Kloos

MICHAEL A. KLOOS, Principal VICE PRESIDENT
Travelers Casualty and Surety Company of America

By: Gerard S. Macholz
Gerard S. Macholz, Attorney-in-fact

CERTIFICATE OF ACKNOWLEDGEMENT

State of California
City of Rancho Cordova SS

On this ____ day of _____ in the year 20__ before me _____,
personally appeared _____, personally known to me (or proved

Attorney-in-fact
to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this
Instrument as the attorney-in-fact of, and acknowledged to me that he (she) subscribed the
name of the said company thereto as surety, and his (her) own name as attorney-in-fact.

(SEAL)

Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of ALAMEDA

On 9/24/09 before me, JACQUELINE DAVOS, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared MICHAEL A. KLOOS
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: BIDDER'S BOND - CITY OF RANCHO CORDOVA-INTERNATIONAL DRIVE EXT.

Document Date: 9/24/09 Number of Pages: 6 INCL. NOTARIALS

Signer(s) Other Than Named Above: GERARD S. MACHOLZ

Capacity(ies) Claimed by Signer(s)

Signer's Name: MICHAEL A. KLOOS

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney In Fact
☐ Trustee
☐ Guardian or Conservator
☒ Other: VICE PRESIDENT

Signer Is Representing: DESILVA GATES CONSTRUCTION L.P.

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney In Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

ACKNOWLEDGMENT OF SURETY COMPANY

STATE OF New York }
COUNTY OF Nassau } ss

On this September 24, 2009, before me personally came Gerard S. Macholz
to me known, who, being by me duly sworn, did depose and say; that he/she resides in
..... Suffolk County, State of ... New York, that he/she is the Attorney-In-Fact of the
..... Travelers Casualty and Surety Company of America
..... the corporation described in which executed the
above instrument; that he/she knows the seal of said corporation; that the seal affixed to said Instrument is
such corporate seal; that is was so affixed by the Board of Directors of said corporation; and that he/she signed
his/her name thereto by like order; and the affiant did further depose and say that the Superintendent of
Insurance of the State of New York, has, pursuant to Section 1111 of the Insurance Law of the State of New
York, issued to Travelers Casualty and Surety Company of America (Surety) his/her certificate of
qualification evidencing the qualification of said Company and its sufficiency under any law of the State of New
York as surety and guarantor, and the propriety of accepting and approving it as such; and that such certificate
has not been revoked.

.....
Notary Public

NY acknowledgement

MELISSA SARACINO
Notary Public, State of New York
No. 01SA6155895
Qualified in Nassau County
Commission Expires November 20, 2010



POWER OF ATTORNEY

Farmington Casualty Company
 Fidelity and Guaranty Insurance Company
 Fidelity and Guaranty Insurance Underwriters, Inc.
 St. Paul Fire and Marine Insurance Company
 St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
 Travelers Casualty and Surety Company
 Travelers Casualty and Surety Company of America
 United States Fidelity and Guaranty Company

Attorney-In Fact No. 220626

Certificate No. 003133300

KNOW ALL MEN BY THESE PRESENTS: That St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Thomas Bean, Rita Sagistano, Gerard S. Macholz, Susan Lupski, Robert T. Pearson, Camille Maitland, and George O. Brewster

of the City of Garden City, State of New York, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 17th day of November, 2008.

Farmington Casualty Company
 Fidelity and Guaranty Insurance Company
 Fidelity and Guaranty Insurance Underwriters, Inc.
 St. Paul Fire and Marine Insurance Company
 St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
 Travelers Casualty and Surety Company
 Travelers Casualty and Surety Company of America
 United States Fidelity and Guaranty Company



State of Connecticut
 City of Hartford ss.

By: George W. Thompson
 George W. Thompson, Senior Vice President

On this the 17th day of November, 2008, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
 My Commission expires the 30th day of June, 2011.



Marie C. Tetreault
 Marie C. Tetreault, Notary Public

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

HARTFORD, CONNECTICUT 06183

FINANCIAL STATEMENT AS OF DECEMBER 31, 2008

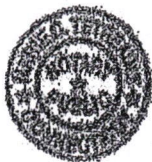
CAPITAL STOCK \$ 8,000,000

ASSETS		LIABILITIES & SURPLUS	
CASH & INVESTED CASH	\$ 146,779,723	UNEARNED PREMIUMS	\$ 846,309,219
BONDS	3,452,929,381	LOSSES	822,955,804
STOCK	7,586,626	LOSS ADJUSTMENT EXPENSES	276,222,162
INVESTMENT INCOME DUE AND ACCRUED	46,660,831	COMMISSIONS	52,167,086
PREMIUM BALANCES	303,562,195	TAXES, LICENSES AND FEES	43,371,400
NET DEFERRED TAX ASSET	40,073,233	OTHER EXPENSES	29,247,064
REINSURANCE RECOVERABLE	12,426,353	FUNDS HELD UNDER REINSURANCE TREATIES	105,982,816
OTHER ASSETS	86,225,430	CURRENT FEDERAL AND FOREIGN INCOME TAXES	104,163,988
		REMITTANCES AND ITEMS NOT ALLOCATED	57,573,295
		AMOUNTS WITHHELD / RETAINED BY COMPANY FOR OTHERS	31,564,806
		RETROACTIVE REINSURANCE RESERVE	11,092,864
		POLICYHOLDER DIVIDENDS	9,505,141
		PROVISION FOR REINSURANCE	5,452,296
		CEDED REINSURANCE NET PREMIUMS PAYABLE	(45,467,530)
		OTHER ACCRUED EXPENSES AND LIABILITIES	11,021,938
		TOTAL LIABILITIES	\$2,381,267,253
		CAPITAL STOCK	\$ 8,000,000
		PAID IN SURPLUS	303,297,402
		OTHER SURPLUS	1,425,675,916
		TOTAL SURPLUS TO POLICYHOLDERS	\$1,734,976,318
TOTAL ASSETS	\$4,096,243,572	TOTAL LIABILITIES & SURPLUS	\$4,096,243,572

STATE OF CONNECTICUT)
COUNTY OF HARTFORD) SS.
CITY OF HARTFORD)

ERIC B. BRUDER, BEING DULY SWORN, SAYS THAT HE IS CHIEF FINANCIAL OFFICER - TRAVELERS BOND & FINANCIAL PRODUCTS,
OF TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA; AND THAT TO THE BEST OF HIS KNOWLEDGE AND BELIEF, THE FOREGOING
IS A TRUE AND CORRECT STATEMENT OF THE FINANCIAL CONDITION OF SAID COMPANY AS OF THE 31st DAY OF DECEMBER, 2008.

SUBSCRIBED AND SWORN TO BEFORE ME THIS
17th DAY OF APRIL, 2009.



CHIEF FINANCIAL OFFICER - BOND & FINANCIAL PRODUCTS

Marie C. Tetreault
NOTARY PUBLIC

MARIE C. TETREAULT
Notary Public
My Commission Expires June 30, 2011

**CITY OF RANCHO CORDOVA CERTIFICATION OF COMPLIANCE
WITH COURT ORDERED CHILD, FAMILY AND SPOUSAL SUPPORT**

WHEREAS, it is in the best interest of the City that those entities with whom the City does business demonstrate financial responsibility, integrity and lawfulness; and, further, it is inequitable for those entities with whom the City does business to receive City funds while failing to pay court-ordered child, family and spousal support which shifts the support of their dependents onto the public treasury.

THEREFORE, in order to assist the Sacramento County Child Support Department in its efforts to collect unpaid court-ordered child, family and spousal support orders, the following certification must be provided by any individual, partnership or other entity which is seeking to contract with the City to provide goods or to perform services for or on behalf of the City.

CERTIFICATION

CONTRACTOR hereby certifies that:

(a) The following information has been provided to the Sacramento County Child Support Department and/or the District Attorney for each of CONTRACTOR's Principal Owners (any individual owning 25% or more in CONTRACTOR entity) who is subject to a court-ordered child, family or spousal support order.

1. Name, title, last known residence address and social security number
2. All earnings paid to or payable to such principal owner pursuant to any contract with the City of Rancho Cordova
3. Whether dependent health insurance coverage is available to or provided to such Principal Owner

(b) CONTRACTOR's Principal Owners are currently in substantial compliance with any court-ordered child, family and spousal support order, or, in the alternative, has made a good faith effort to become current or arrange a payment schedule with the Child Support Department, District Attorney or the court.

(c) CONTRACTOR has fully complied with all applicable state and federal reporting requirements relating to employment reporting for its employees.

(d) CONTRACTOR has fully complied with all lawfully served wage and earnings assignment orders and notices of assignment and will continue to maintain compliance.

NOTE: Failure to comply with state and federal reporting requirements regarding CONTRACTOR's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment constitutes a default under any contract with CITY. Failure to cure such default within 90 days of notice by the City of Rancho Cordova and/or the County of Sacramento shall be grounds for termination of contract.

DESILVA GATES CONSTRUCTION L.P.

CONTRACTOR

Michael A. Kloos

Printed Name

MICHAEL A. KLOOS,
VICE PRESIDENT

9/24/09

DATE

BIDDER'S LIST OF SUBCONTRACTORS (DBE and NON-DBE)- PART I

The bidder shall list all subcontractors (both DBE and non-DBE) in accordance with Section 2-1.054 of the Standard Specifications and per Title 49, Section 26.11 of the Code of Federal Regulations. This listing is required in addition to listing DBE Subcontractors elsewhere in the proposal. Photocopy this form for additional firms.

Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	DBE or Non-DBE (Check one)
Name RVP Construction	Phone 916- 416-4629	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million	Bridge (Partial)	☐ YES ☐ NO If YES list DBE #
Address 8 Light Sky Court	Fax 916- 525-3239	☐ < \$1 million ☐ < \$5 million ☒ > \$15 million		Age of Firm (Yrs)
City/State/ZIP Sacramento, CA 95828			Electrical	☐ YES ☐ NO If YES list DBE #
Name Pacific Excavation	Phone 916- 686-2800	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million		Age of Firm (Yrs)
Address 9796 Kent Street	Fax 916- 686-2598	☐ < \$1 million ☐ < \$5 million ☒ > \$15 million	Minor Concrete	☐ YES ☐ NO If YES list DBE #
City/State/ZIP Elk Grove, CA 95624				Age of Firm (Yrs)
Name FBD Vanguard Construction	Phone 925- 245-1300	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million		☐ YES ☐ NO If YES list DBE #
Address 651 Enterprise Court	Fax 925- 245-1007	☐ < \$1 million ☐ < \$5 million ☒ > \$15 million	Minor Concrete Structures	Age of Firm (Yrs)
City/State/ZIP Livermore, CA 94550				
Name FBD Vanguard	Phone 925- 245-1300	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million		☐ YES ☐ NO If YES list DBE #
Address 651 Enterprise Court	Fax 925- 245-1007	☐ < \$1 million ☐ < \$5 million ☒ > \$15 million		Age of Firm (Yrs)
City/State/ZIP Livermore, CA 94550				

Distribution: 1) Original - Local Agency File

BIDDER'S LIST OF SUBCONTRACTORS (DBE and NON-DBE)- PART I

The bidder shall list all subcontractors (both DBE and non-DBE) in accordance with Section 2-1.054 of the Standard Specifications and per Title 49, Section 26.11 of the Code of Federal Regulations. This listing is required in addition to listing DBE Subcontractors elsewhere in the proposal. Photocopy this form for additional firms.

Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	DBE Firm Type
Name Central Fence MAK	Phone 916-MAK 424-5692	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☒ > \$15 million	Fence / Guardrail - MAK	☐ YES ☒ NO If YES, DBE %
Address 148 Otto Circle - MAK	Fax 916-MAK 424-6034	☐ < \$1 million ☒ > \$15 million	MAK	Age of Firm (Yrs)
City State ZIP Sacramento, CA 95822	Phone 916 635-5635	☐ < \$1 million ☒ > \$15 million	Landscaping	☐ YES ☒ NO If YES, DBE %
Name Aerco Pacific, Inc.	Fax 916- 635-4906	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ > \$15 million		Age of Firm (Yrs)
Address 11370 J Amalgam Way	Phone 510 656-2840	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☒ > \$15 million	Striping/Roadside Signs	☐ YES ☒ NO If YES, DBE %
City State ZIP Palo Alto, CA 94308	Fax 510-490 2703			Age of Firm (Yrs)
Name Chrisp Company	Phone 916-373- 1500	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☒ > \$15 million	Slurry Seal	☐ YES ☒ NO If YES, DBE %
Address 4365 Osgood Road	Fax 916- 373-0183			Age of Firm (Yrs)
City State ZIP Fremont, CA 94538				
Name Valley Slurry Seal Company				
Address 90 Box 981330				
City State ZIP West Sacramento, CA 95798				

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EXHIBIT 12-G
Bidder's List of Subcontractors (DBE and NON-DBE)

BIDDER'S LIST OF SUBCONTRACTORS (DBE and NON-DBE)- PART I

The bidder shall list all subcontractors (both DBE and non-DBE) in accordance with Section 2-1.054 of the Standard Specifications and per Title 49, Section 26.11 of the Code of Federal Regulations. This listing is required in addition to listing DBE Subcontractors elsewhere in the proposal. Photocopy this form for additional firms.

Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	DBE Firm Type	Age of Firm (Yrs)
Name Marques Pipeline, Inc. Address 1200 National Drive, Ste 120 City State ZIP Sacramento, CA 95834	Phone 916-916-916 Fax 916-916-916	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☒ > \$15 million	Underground (Partial) MAK	☐ YES ☒ NO IF YES, List DBE	
Name AC DIKE Company Address 2788 Venture Drive City State ZIP Lincoln, CA 95648	Phone 552-916-552 Fax 552-916-552	☒ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million	AC DIKE	☐ YES ☒ NO IF YES, List DBE	
Name Crusader Fence Company, Inc. Address 3115 Gold Valley Drive City State ZIP Rancho Cordova, CA 95742	Phone 916-631-916 Fax 916-631-916	☐ < \$1 million ☐ < \$5 million ☒ < \$10 million ☐ < \$15 million ☐ > \$15 million	Fence / Guard rail	☐ YES ☒ NO IF YES, List DBE	
Name Sisco Pipelines, Inc. MAK Address Campbell 9-200 MAK City State ZIP Campbell, CA 95008	Phone 408-377-408 Fax 408-377-408	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☒ > \$15 million	Underground (Partial) MAK	☐ YES ☒ NO IF YES, List DBE	

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BIDDER'S LIST OF SUBCONTRACTORS (DBE and NON-DBE)- PART I

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Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	☐ YES ☐ NO If YES, DBE # Age of Firm (Yrs)
Name Penton Pipelines	Phone 408- 262-1419	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☒ < \$15 million ☐ > \$15 million	Underground Partial	☐ YES ☐ NO If YES, DBE # Age of Firm (Yrs)
Address 133 Bothello Ave	Fax 408- 934-2258			
City State ZIP Milpitas, CA 95035	Phone	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million		☐ YES ☐ NO If YES, DBE # Age of Firm (Yrs)
Name	Fax			
Address	Phone	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million		☐ YES ☐ NO If YES, DBE # Age of Firm (Yrs)
City State ZIP	Fax			
Name	Phone	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million		☐ YES ☐ NO If YES, DBE # Age of Firm (Yrs)
Address	Fax			
City State ZIP	Phone	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million		☐ YES ☐ NO If YES, DBE # Age of Firm (Yrs)
Name	Fax			
Address	Phone	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million		☐ YES ☐ NO If YES, DBE # Age of Firm (Yrs)
City State ZIP	Fax			

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The bidder shall list all subcontractors (both DBE and non-DBE) in accordance with Section 2-1.054 of the Standard Specifications and per Title 49, Section 26.11 of the Code of Federal Regulations. This listing is required in addition to listing DBE Subcontractors elsewhere in the proposal. Photocopy this form for additional firms.

Firm Name/ Address/ City, State, ZIP		Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	Public Works Contract Completed Prior
Name		Phone	☐ < \$1 million		☐ YES ☐ NO If YES (Date DBE)
Address			☐ < \$5 million		
City State ZIP		Fax	☐ < \$10 million		
			☐ < \$15 million		
			☐ > \$15 million		Age of firm (Yrs)
Name		Phone	☐ < \$1 million		☐ YES ☐ NO If YES (Date DBE)
Address			☐ < \$5 million		
City State ZIP		Fax	☐ < \$10 million		
			☐ < \$15 million		
			☐ > \$15 million		Age of firm (Yrs)
Name		Phone	☐ < \$1 million		☐ YES ☐ NO If YES (Date DBE)
Address			☐ < \$5 million		
City State ZIP		Fax	☐ < \$10 million		
			☐ < \$15 million		
			☐ > \$15 million		Age of firm (Yrs)
Name		Phone	☐ < \$1 million		☐ YES ☐ NO If YES (Date DBE)
Address			☐ < \$5 million		
City State ZIP		Fax	☐ < \$10 million		
			☐ < \$15 million		
			☐ > \$15 million		Age of firm (Yrs)

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EXHIBIT 12-G

Local Assistance Procedures Manual

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BIDDER'S LIST OF SUBCONTRACTORS (DBE and NON-DBE)- PART II

The bidder shall list all subcontractors who provided a quote or bid but were not selected to participate as a subcontractor on this project. This is required for compliance with Title 49, Section 26 of the Code of Federal Regulations. Photocopy this form for additional firms.

Name	Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	Include in Bidder's List of DBEs (Check YES or NO)
MAK	Foothill Concrete Construction Address 12101 Polson Blvd, STE A City State ZIP Rancho Cordova, CA 95742	Phone 916-989-4188 Fax 916-989-4118	☐ < \$1 million ☒ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million	Minor Concrete	☐ YES ☐ NO If YES list DBE # Age of Firm (Yrs)
MAK	F.P.D. Vanguard Construction Address 651 Enterprise Court City State ZIP Livermore, CA 94550	Phone 925- MAK 245-1300 Fax 925- MAK 245-1007	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☒ > \$15 million	Minor Concrete MAK	☐ YES ☐ NO If YES list DBE # Age of Firm (Yrs)
MAK	West Concrete, Inc. Address 9855 El Lindo Blvd. 98550 Palmdale Rd City State ZIP Elverta, CA 95626	Phone 916- 921-0650 MAK Fax 916-992- MAK 954-0602	☐ < \$1 million ☒ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million	Minor Concrete MAK	☐ YES ☐ NO If YES list DBE # Age of Firm (Yrs)
MAK	R.E. Maher, Inc. Address 4545 Hess Drive City State ZIP American Canyon, CA 94503	Phone 707- 642-0306 Fax 707-642- 3907	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☒ > \$15 million	Minor Concrete	☐ YES ☐ NO If YES list DBE # Age of Firm (Yrs)

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EXHIBIT 12-G

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Local Assistance Procedures Manual

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Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	DBE or Non-DBE (Check one)
Name Porter Concrete Construction	Phone 916-685-	☒ < \$1 million	Minor Concrete	☒ YES
Address 9825 B Pino Dr.	5092	☐ < \$5 million		☐ NO
City State ZIP	Fax 916-685-	☐ < \$10 million		(YES/NO DBE)
Elk Grove, CA 95624	5109	☐ < \$15 million		Age of Firm (Yrs)
Name Nor-Cal Concrete	Phone 707-425-	☐ < \$1 million	Minor Concrete	☒ YES
Address P.O. Box 521	6144	☒ < \$5 million	Minor Concrete Structures	☐ NO
City State ZIP	Fax 707-	☐ < \$10 million		(YES/NO DBE)
Suisun, CA 94585	425-5433	☐ < \$15 million		Age of Firm (Yrs)
Name RAR Maher Construction	Phone 707-	☐ < \$1 million	Minor Concrete	☒ YES
Address 1324 Lemon Street	552-0330	☐ < \$5 million		☐ NO
City State ZIP	Fax 707-	☐ < \$10 million		(YES/NO DBE)
Vallejo, CA 94590	552-4280	☐ < \$15 million		Age of Firm (Yrs)
Name Marques Pipeline, Inc	Phone 916-	☐ < \$1 million	Minor Concrete Structures /	☒ YES
Address 1300 National Drive, Ste 120	923-3434	☐ < \$5 million	Underground	☐ NO
City State ZIP	Fax 916-929	☐ < \$10 million		(YES/NO DBE)
Sacramento, CA 95834	5532	☐ < \$15 million		Age of Firm (Yrs)

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EXHIBIT 12-G

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Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	Is this firm a DBE? (YES/NO/IF NOT A DBE)
Name Pisor Fence Division	Phone 916-726-1173	☐ < \$1 million ☐ < \$5 million ☒ < \$10 million ☐ < \$15 million ☐ > \$15 million	Fence / Guardrail	☒ YES ☐ NO (If not a DBE)
Address P.O. Box 7213	Fax 916-726-1198			Age of Firm (Yrs)
City/State/ZIP Citrus Heights, CA 95621				
Name Oliveira Fence, Inc.	Phone 408-727-3811	☐ < \$1 million ☒ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million	Fence	☒ YES ☐ NO (If not a DBE)
Address 400 Reed Street	Fax 408-727-2690			Age of Firm (Yrs)
City/State/ZIP Santa Clara, CA 95050				
Name Midstate Barrier, Inc.	Phone 209-944-9565	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☒ > \$15 million	Guardrail	☒ YES ☐ NO (If not a DBE)
Address 20 Box 30550	Fax 209-944-9569			Age of Firm (Yrs)
City/State/ZIP Stockton, CA 95213				
Name Clearwater Landscape Services	Phone 530-676-3081	☐ < \$1 million ☒ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million	Landscape	☒ YES ☐ NO (If not a DBE)
Address 3908 Placitas Drive	Fax 530-676-3081			Age of Firm (Yrs)
City/State/ZIP Cameron Park, CA 95682				

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EXHIBIT 12-G

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Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	DBE or Non-DBE? (YES or NO) (YES is DBE #)
Name Environmental Landscape Solutions Address 8940 Elder Creek Road City State ZIP Sacramento CA 95829	Phone 916- 388-0308 Fax 916- 258-0971	☒ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million	Landscape	☒ YES ☐ NO (YES is DBE #)
Name Striping Graphics Address 1364 N. McDowell, Ste 12 City State ZIP Petaluma, CA 94954	Phone 707- 763-9425 Fax 707- 763-9761	☐ < \$1 million ☒ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million	Striping / Signs	☒ YES ☐ NO (YES is DBE #)
Name Centerline Striping Address 9847 Dino Drive City State ZIP Elk Grove, CA 95624	Phone 916- 686-8860 Fax 916- 686-8875	☐ < \$1 million ☐ < \$5 million ☒ < \$10 million ☐ < \$15 million ☐ > \$15 million	Striping / Signs	☒ YES ☐ NO (YES is DBE #)
Name Farwest Safety Address 226 N. Main Street City State ZIP Lodi, CA 95240	Phone 209- 339-8085 Fax 209- 339-9879	☐ < \$1 million ☐ < \$5 million ☒ < \$10 million ☐ < \$15 million ☐ > \$15 million	Road side signs	☒ YES ☐ NO (YES is DBE #)

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EXHIBIT 12-G

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Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	DBE Participation (Yes/No)
Central Striping Address 3489 Luyang Drive City State ZIP Rancho Cordova, CA 95742	Phone 916-635-5179 Fax 916-631-9427	☐ < \$1 million ☐ < \$5 million ☒ < \$10 million ☐ < \$15 million ☐ > \$15 million	Striping	☒ YES ☐ NO (DBE % DBE #) Age of Firm (Yrs)
Linear Options Address One Kelly Court City State ZIP Menlo Park, CA 94025	Phone 650-833-1800 Fax 650-833-1819	☐ < \$1 million ☐ < \$5 million ☒ < \$10 million ☐ < \$15 million ☐ > \$15 million	Striping	☒ YES ☐ NO (DBE % DBE #) Age of Firm (Yrs)
California Pavement Maintenance Co Address 9390 Elder Creek Road City State ZIP Sacramento, CA 95829	Phone 916-381-8033 Fax 916-381-3703	☐ < \$1 million ☐ < \$5 million ☒ < \$10 million ☐ < \$15 million ☐ > \$15 million	Slurry Seal	☒ YES ☐ NO (DBE % DBE #) Age of Firm (Yrs)
UCM Construction Address 6413 32nd Street City State ZIP North Highlands, CA 95660	Phone 916-334-1221 Fax 916-334-0562	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☒ > \$15 million	Bridge	☒ YES ☐ NO (DBE % DBE #) Age of Firm (Yrs)

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EXHIBIT 12-G

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Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	Is the firm a DBE? (Check YES or NO)
Name M&M Electric, Inc. Address 1600 Auburn Blvd City State ZIP Sacramento, CA 95815	Phone 916- 929-0150 Fax 916- 929-1165	☐ <\$1 million ☐ <\$5 million ☐ <\$10 million ☐ <\$15 million ☒ >\$15 million	Electrical	☐ YES ☐ NO If YES list DBE # Age of firm (Yrs)
Name Richard A. Haags Electrical Address 9909 Florin Rd City State ZIP Sacramento, CA 95829	Phone 916- 396-5857 Fax 916- 386-1554	☐ <\$1 million ☐ <\$5 million ☐ <\$10 million ☐ <\$15 million ☒ >\$15 million	Electrical	☐ YES ☐ NO If YES list DBE # Age of firm (Yrs)
Name Wood Valley Concrete Address 1813 Homestead Way City State ZIP Woodland, CA 95776	Phone 916- 222-6469 Fax 916- 707-434-3636	☒ <\$1 million ☐ <\$5 million ☐ <\$10 million ☐ <\$15 million ☐ >\$15 million	Minor Concrete	☐ YES ☐ NO If YES list DBE # Age of firm (Yrs)
Name Central Fence Company Address 148 Otto Circle City State ZIP Sacramento, CA 95822	Phone 916- 474-5692 Fax 916- 421-0031	☐ <\$1 million ☐ <\$5 million ☐ <\$10 million ☒ <\$15 million ☐ >\$15 million	Fence / Guardrail	☐ YES ☐ NO If YES list DBE # Age of firm (Yrs)

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Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	DBE or Non-DBE (Check one)
Name Syblon Reid Construction	Phone 916 351-0457	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☒ > \$15 million	Bridge (partial)	☐ YES ☐ NO (YES for DBE)
Address Po Box 100	Fax 916- 351-1674			Age of Firm (Yrs)
City State ZIP Folsom, CA 95763				
Name Shasta Constructors	Phone 530 365-3990	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☒ > \$15 million	Bridge (Partial)	☐ YES ☐ NO (YES for DBE)
Address Po Box 471 539	Fax 530 365-5465			Age of Firm (Yrs)
City State ZIP Redding, CA 96049				
Name C.C. Myers, Inc	Phone 916 635-9370	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☒ > \$15 million	Bridge (partial)	☐ YES ☐ NO (YES for DBE)
Address Po Box 2948	Fax 916 635-1527			Age of Firm (Yrs)
City State ZIP Rancho Cordova CA 95742				
Name Sarco Pipelines	Phone Fax	☐ < \$1 million ☐ < \$5 million ☐ < \$10 million ☐ < \$15 million ☐ > \$15 million	Underground / Minor Structures Pipelines (partial)	☐ YES ☐ NO (YES for DBE)
Address				Age of Firm (Yrs)
City State ZIP				

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Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	Is the firm a DBE? (YES or NO)
Name	Phone	☐ < \$1 million		☐ YES
Address		☐ < \$5 million		☐ NO
City State ZIP	Fax	☐ < \$10 million		(YES or NO)
		☐ < \$15 million		Age of Firm (Yrs)
		☐ > \$15 million		
Name	Phone	☐ < \$1 million		☐ YES
Address		☐ < \$5 million		☐ NO
City State ZIP	Fax	☐ < \$10 million		(YES or NO)
		☐ < \$15 million		Age of Firm (Yrs)
		☐ > \$15 million		
Name	Phone	☐ < \$1 million		☐ YES
Address		☐ < \$5 million		☐ NO
City State ZIP	Fax	☐ < \$10 million		(YES or NO)
		☐ < \$15 million		Age of Firm (Yrs)
		☐ > \$15 million		
Name	Phone	☐ < \$1 million		☐ YES
Address		☐ < \$5 million		☐ NO
City State ZIP	Fax	☐ < \$10 million		(YES or NO)
		☐ < \$15 million		Age of Firm (Yrs)
		☐ > \$15 million		
Name	Phone	☐ < \$1 million		☐ YES
Address		☐ < \$5 million		☐ NO
City State ZIP	Fax	☐ < \$10 million		(YES or NO)
		☐ < \$15 million		Age of Firm (Yrs)
		☐ > \$15 million		

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CITY OF RANCHO CORDOVA

RESOLUTION NO. 95-2009

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH QUINCY
ENGINEERING, INC. TO PROVIDE CONSTRUCTION MANAGEMENT SERVICES
ASSOCIATED WITH THE INTERNATIONAL DRIVE EXTENSION PROJECT**

WHEREAS, the City of Rancho Cordova wishes to contract with a professional engineering firm to provide the construction management services for the International Drive Extension Project; and

WHEREAS, the City of Rancho Cordova wishes to contract with Quincy Engineering Inc. for these services in an amount not to exceed \$900,000 (**Exhibit A**); and

WHEREAS, the cost of those services will exceed the maximum amount that the City Manager has authorization to approve.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA authorizes the City Manager to execute a contract with Quincy Engineering, Inc., in a form approved by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, City Clerk

**CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND
QUINCY ENGINEERING, INC.**

THIS AGREEMENT for consulting services is made by and between the City of Rancho Cordova ("City") and Quincy Engineering, Inc. ("Consultant") as of _____, 2009

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 **Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on 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 \$900,000 (nine-hundred thousand dollars) on a time and materials basis, notwithstanding any contrary indications that may be contained in Consultant's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Consultant's proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties

further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

- 2.1 Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:
- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
 - The beginning and ending dates of the billing period;
 - A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
 - At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
 - The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder, as well as a separate notice when the total number of hours of work by Consultant and any individual employee, agent, or subcontractor of Consultant reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in Exhibit A;
 - The Consultant's signature.
- 2.2 Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.
- 2.3 Not Used.**
- 2.4 Total Payment.** City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.
- In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.
- 2.5 Hourly Fees.** Fees for work performed by Consultant on an hourly basis shall not exceed the amounts shown on the fee schedule set forth in Exhibit B.
- 2.6 Reimbursable Expenses.** Reimbursable expenses, if any, are set forth in Exhibit B. Expenses not listed in Exhibit B are not chargeable to City. Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.

- 2.7 **Payment of Taxes.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 **Payment upon Termination.** In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets in order to verify costs incurred to that date.
- 2.9 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consultant shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution.

- 4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Consultant shall notify City within 14 days of notification from Consultant's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 General requirements. Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 or GL 0002 (most recent editions) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 8 and 9. No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.

- d. Any failure of Consultant to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Consultant shall notify City within 14 days of notification from Consultant's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.3 Professional Liability Insurance. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions.

4.3.1 Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.3.3 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five years after completion of the Agreement or the work. The City shall have the right to exercise, at the Consultant's sole cost and expense, any extended reporting provisions of the policy, if the Consultant cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

4.4 All Policies Requirements.

4.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.2 Verification of coverage. Prior to beginning any work under this Agreement, Consultant shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized

by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

4.4.3 Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

4.4.4 Variation. The City may approve a variation in the foregoing insurance requirements, upon a determination that the coverages, scope, limits, and forms of such insurance are either not commercially available, or that the City's interests are otherwise fully protected.

4.4.5 Deductibles and Self-Insured Retentions. Consultant shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Consultant procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

4.4.6 Notice of Reduction in Coverage. In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Consultant shall provide written notice to City at Consultant's earliest possible opportunity and in no case later than five days after Consultant is notified of the change in coverage.

4.5 Remedies. In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

5.1 General Requirement. Consultant shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage

to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Consultant or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Consultant shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Consultant or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 PERS Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

5.3 Design Professionals. Notwithstanding Sections 5.1 and 5.2, Consultant's duties to indemnify, defend and hold harmless the City shall be limited to the extent the services provided pursuant to this Agreement are "design professional services" subject to Section 2782.8 of the California Civil Code. In accordance with Civil Code Section 2782.8, Consultant shall, to the fullest extent allowed by law, with respect to all design professional services performed in connection with this Agreement, defend with counsel acceptable to City, indemnify, and hold City, its officers, employees, agents, and volunteers, harmless from and against any and all claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, ("Claims"). Consultant will bear all losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such Claims, whether directly or indirectly ("Liability"). Such obligations to defend, hold harmless and indemnify the City shall not apply to the extent that such Liability is caused by the sole negligence, active negligence, or willful misconduct of the City.

Section 6. STATUS OF CONSULTANT.

6.1 Independent Contractor. At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other

City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Consultant shall not allow any employee to become eligible for a claim for PERS benefits.

- 6.2 **Consultant No Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Consultant's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 **Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from City.
- 7.5 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** City may cancel this Agreement at any time and without cause upon written notification to Consultant.

Consultant may cancel this Agreement upon 120 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 Kathy Garcia ("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:

Steve Mellon
3247 Ramos Circle
Sacramento, CA 95827

Any written notice to City shall be sent to:
Kathy Garcia, P.E.
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 B, represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 10.13 IRS Form W-9.** Consultant shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

- 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

John Quincy, Quincy Engineering

Date: _____

Date: _____

Attest:

Mindy Cuppy, City Clerk

Date: _____

Approved as to Form:

Adam Lindgren, City Attorney

Date: _____

Exhibit A SCOPE OF SERVICES

The following is the Quincy Engineering, Inc. (QEI) Team's SCOPE OF SERVICES for the construction management for this project. Tasks are defined in this discussion to incorporate the scope items shown in the City of Rancho Cordova Department of Public Works (City) RF, and in accordance with the scope of work typical of transportation improvement construction projects.

The City has contracted with QEI to provide construction administration and observation, including materials testing and survey verification for the International Drive Extension Project. The project will extend International Drive from Kilgore Road over the Folsom South Canal to Sunrise Boulevard at its intersection with Monier Circle. The extension will be a six-lane roadway which will include lanes for vehicular travel, sidewalks and bike lanes and will include a new bridge over the Folsom South Canal. Existing intersections at International/Kilgore and International/Sunrise/Monier will be modified and traffic signals added. International, west of Kilgore, and Monier, east of Sunrise, will be modified to align with the proposed extension. Modifications will also be performed on the FSC Maintenance Road and bike path. Sunrise Boulevard north and south of International will be widened and curb, gutter and sidewalk will be constructed along the US Bureau of Reclamation frontage and the median reconstructed. Landscape beautification will be performed in the medians of International Drive and Sunrise Boulevard.

This scope is based on our current understanding of the project based on the City-provided plans and specifications and the following assumptions:

- ▲ Construction will start in October 2009 and end in late October 2010. We have assumed that the City's Contractor will take no more than 205 working days to complete the project. We have assumed that there will be up to 20 non-working days caused by weather during this contract.
- ▲ QEI's assumed level of effort for pre- and post-construction activities (Tasks 1 and 6) is estimated at up to 655 hours.
- ▲ QEI's assumed staffing level is as presented in our attached Exhibit A - Proposed Staffing Plan.
- ▲ The City's Contractor will be working normal shifts throughout the project (little overtime is anticipated). QEI anticipates that the City's Contractor is experienced with this type of work and will diligently pursue timely completion of the project.
- ▲ QEI will utilize their Ranch Cordova office at 3247 Ramos Circle as the field office.
- ▲ Kleinfelder, with their office located in Rancho Cordova, will provide materials sampling and testing for the QEI Team. Their level of effort is dependent on the Contractor's operation and ability to meet the contract requirements. For establishing a cost proposal, their level of effort is estimated at up to \$102,500.
- ▲ Cooper, Thorne & Associates, Inc., with their office located in Rancho Cordova, will provide verification of the Designer's and City Contractor's staking and layout. Their level of effort is dependent on the Designer's and City Contractor's operations and is estimated at up to \$24,000.
- ▲ The City will provide all environmental monitoring for the Team. As an option to the City, Area West Environmental can supplement the City staff with qualified biologists on this effort.
- ▲ Also as an option to the City, the Tiburon Group can assist the Team with complex contractor claims resolutions.

TASK 1 – Pre-Construction Services: Our Team will perform the following as required during this task:

- Our Team will assist the City and the City Designers in the review of the Contractor's bids. Comparisons to past project costs and other available cost information will be used to evaluate the bids. Based on this review, we will assist the City in making an accept/reject recommendation on the bids.
- Prepare a construction management plan. The plan will include project authority, communications, and project documentation including (1) Project organization; (2) Meetings; (3) Communications management; (4) Preparation of management reports; (5) Clarifications and contract interpretations of specifications (RFIs); (6) Submittals and shop drawings; (7) Design modifications; (8) Change orders; (9) Schedule management; (10) Claims management; (11) Testing and testing documentation; (12) Progress pay estimate preparation; (13) Inspection and inspection reporting; (14) Defective work correction; (15) Record drawings; (16) Complaint and community relations procedures; (17) Safety; (18) Photo and video documentation; (19) Certified payroll review, DBE compliance, and labor compliance; (20) preparation of documents as needed for ARRA funds and other Federal, State, and local funds; (21) Special inspections; and (22) Other Tasks. A project records filing system based on the Caltrans *Construction Manual* will be developed. Project categories will include:

- | | | | |
|----------------------|------------------|-------------------------|----------------------|
| ■ Personnel | ■ Daily Reports | ■ Progress Pay Estimate | ■ Contractor Payroll |
| ■ Correspondence | ■ Pay Quantities | ■ Labor Compliance | ■ Final Report |
| ■ Working Day Record | ■ CCO | ■ Contractor Payroll | |
| ■ Materials | ■ Extra Work | ■ Final Report | |



Project records will include Contractor budget control measures (including itemized accounting of each contract item) and a Contractor payment schedule. Budget control measures will maximize usage of the contract funds throughout the life of the contract. Project files will be kept up-to-date by the RE and will be monitored by the Construction Manager.

- Thoroughly review the plans, specifications, RE pending files, permits, agreements, environmental documents, and other applicable documents. It is important to identify potential or anticipated problem areas early in the contract.
- Attend a coordination meeting with the City, Designers, and other affected agencies/stakeholders.
- Establish communication with Bureau of Reclamation and other such agencies that may have approval over some aspect of the construction.
- Establish communication with utility agencies including AT&T, SMUD, PG&E, and Cable.
- Prepare and conduct a pre-construction conference with the Contractor, subcontractors, City officials, and other involved parties. Topics of discussion will be labor compliance, equal employment opportunity, record keeping, State and Federal safety laws, DBE involvement, use of local businesses and subcontractors, environmental requirements including Storm Water Pollution Prevention, utility issues, traffic control issues, safety problems, etc. A major goal at this meeting, besides dissemination of data, is to establish a cooperative (partnering) attitude between the QEI field staff, the City, and the Contractor. It is critical that all parties work as a Team.
- Establish a photo and video record for the project site to document pre-construction conditions.
- Prepare a critical path project progress schedule (Microsoft Project) for use in verifying the Contractor-provided look-ahead schedules as required in the contract. The schedule will include pre-construction, construction, and post-construction activities, as well as, review/approval of shop plans, and other contractor submittals.

TASK 2 – Construction (up to 205 working days): Our RE and staff will perform the following as required during this task:

- Establish and maintain project control including:
 - On-site organization;
 - Internal and external lines of communication and authority; and
 - Procedures for coordinating with the City, Designers, materials sampling and testing, survey control and layout verification, and environmental monitors.
- Enforce Federal and State laws for occupational safety and health standards for all construction observation activities. Develop a "Code of Safe Practices" and prepare a "Project Safety Program Statement" for the observation staff. Attend Contractor tailgate safety meetings at least every ten working days. Perform formal construction site safety reviews at least every five working days. Report accidents to appropriate authorities as soon as possible. Note that City's Contractor is responsible for the project's safety at all times throughout the contract.
- Monitor and audit certified payrolls of the Contractor's and subcontractor's personnel to assure compliance with all State and Federal laws.
- Community Outreach – RE will attend a City-organized and directed public meeting at the beginning of the project. The RE will provide construction related technical information for use by the City and will be available to answer construction administration related questions. Throughout the project, the RE will be available to assist the City in public relations. Meeting with affected property owners and providing information for City's use in preparing media releases, website updates, newsletters, and other public outreach mechanisms are an important part of our services.
- Coordinate and attend weekly progress meetings with the City to discuss ongoing construction activities, job progress, scheduling, and other important issues. Prepare minutes and distribute to attendees within one week of the meeting.
- Coordinate with permitting agencies for Contractor permit compliance.
- Coordinate survey control and verification (see *Task 3*), environmental mitigation and monitoring (see *Task 4*), and materials testing (see *Task 5*).
- Coordinate review of shoring and shop plans:
 - Falsework plans
 - PC/PS Girder shop plans
 - Cast-in-Drilled-Hole (CIDH) piling placement plan
 - Temporary shoring plans
- Perform ongoing observation of job site safety and construction work and notify City personnel in advance of any significant activities to permit their participation.
- Review, monitor, and document changes to the Contractor's schedule. This includes identifying work not started or incomplete and providing recommendations to the City on corrective measures to meet schedule deadlines. Schedule reviews will be coordinated by the RE.

- Review for approval any Contractor-developed submittals for the staging, Traffic Handling Plan, Storm Water Pollution Prevention Plan (SWPPP), hazardous substance prevention and contingency plan, worker and community health and safety, shoring plans, shop plans, and other Contractor-developed plans.
- Develop and maintain a log of Contractor-developed plan and Requests for Information (RFI) submittals. This log shall consist of the date submitted, the name of the responsible respondent, and the submittal status. This is to ensure a timely and efficient procedure for processing submittals. Copies of RFI correspondence that may result in a Change Order, including initial requests and subsequent responses, will be forwarded to the City.
- Provide observation of the Contractor's work with appropriately trained and qualified field staff to ensure that the work substantially complies with the plans and specifications.
- With the assistance of the City and the designers, interpret plans and specifications. Provide interpretation to the Contractor in writing. If further design work or modifications to the contract documents are required, assist the City in directing the modifications and provide an appropriate contract change order for authorization by the City.
- Notify the City immediately of any errors or omissions in the contract documents.
- Prepare daily, weekly, and monthly reports as required by the City.
- Prepare monthly staffing schedule for the City review and approval.
- Prepare estimates for extra work necessitated by differing site conditions, unforeseen work, etc.
- Prepare contract change orders (CCO) covering this extra work (authorized by the City) and obtain the Contractor's agreement thereto.
- Negotiate CCO for extra work keeping the City fully informed of status (approval of the change orders will be by the City).
- Maintain daily extra work bills, quantity measurements, or such other information as is necessary to document the payment to the Contractor for the extra work.
- In the event that it appears that the Contractor may submit a claim for extra work, maintain records so that the City can successfully resolve the claim.
- Negotiate claims for extra work. This will be accomplished through a claims resolution process. In general this process is as follows:
 - RE requests written Contractor statement and backup information.
 - RE and the City Representative review and request clarifying information from the Contractor, if needed
 - If the claim has merit, as determined by RE and City representative, an agreed upon CCO will be prepared. If the claim has no merit, QEI will facilitate an informal claims review meeting involving the Contractor, the City, RE, and QEI Construction Manager.
 - If a claim review meeting determines that the claim has merit, an agreed upon CCO will be prepared. If the claim has no merit, QEI will facilitate a Claims Review Board meeting. A Claims Review Board will consist of up to three members to be selected jointly by the City and the Contractor.
 - The board will make the final determination of the claim based on RE, City, and Contractor presentation of the claim.

Please note that the level of effort required for a claims review is dependent on many things outside of QEI and the City's control and is not included in Exhibit B.
- Obtain a set of full-size black-line plans to be used as "Final As-built" drawings and note all changes to this set as they occur.
- Coordinate and observe utility work by utility agencies for compliance with project documents.
- Monitor Contractor's coordination with utility agencies.
- Develop the City's standard policy to determine pay quantities and prepare monthly progress estimates.
- Take photographs daily during the construction to document Contractor activities, barricade placement, disputed work items, rejected, replaced, or removed items, completed work, and extra work.
- Maintain project records on a daily basis such that the records are organized and complete.
- Schedule and conduct a project walk through with City and Contractor personnel to establish a "punch list" of items of work that are not satisfactory.
- Schedule and conduct a final project walk through with City and Contractor personnel to determine that all "punch list" of items of work have been completed.

TASK 3 – Construction Control & Verification: Our QEI Team will perform the following as required during this task:

- The RE will review survey and construction staking requirements.
- The control survey and construction staking will be performed by the City's surveyor, Wood Rodgers. Contractor requests for construction staking will be submitted through the RE.
- The RE will confirm/verify correctness through spot checks of grades and layouts or verification surveys.

Exhibit A SCOPE OF SERVICES

- The following verification surveys will be coordinated by the RE and will be done by Cooper Thorne & Associates (CTA) Engineering and Surveying:
 - Verification surveys for up to six (6) visits will be performed.
 - Verification may include bridge, walls, slopes, grades, and other improvements.

CTA's level of effort is dependent on the Contractor's operation and is dependent on many things outside of QEI's and the City's control. Their assumed level of effort is up to 124 hours.

TASK 4 – Environmental Mitigation Inspection & Management: It is our understanding the City will be responsible for environmental inspection and management. The RE will coordinate and assist City staff as needed.

- **(Optional) Environmental Mitigation Inspection and Management Assistance:** In the event of the need for additional environmental mitigation inspection and management due to Federal requirements, QEI has included Area West Environmental on our Team to assist the City.

TASK 5 – Materials Testing: Our QEI Team will perform the following as required during this task:

- The RE will determine material and testing requirements, will schedule and arrange for sampling and testing as required to ensure that satisfactory materials are incorporated into the project, will coordinate and supervise all required material tests, will review and approve material test data and keep record of all tests and test results, and will arrange for independent assurance sampling and testing as required. Copies of all test results will be provided to the City. Materials sampling and testing will be done by Kleinfelder. Some of the anticipated testing is as follows:
 - Aggregate base – Source inspection, sampling and testing, and certificate of compliance.
 - Asphalt concrete – Source inspection, sampling and testing, and certificate of compliance. This process requires both the Contractor and the City to provide testing of the HMA.
 - Structure backfill – Source inspection, sampling and testing, and certificate of compliance.
 - Structural Concrete/Precast Elements – Source inspection, sampling and testing, and certificate of compliance.
 - Reinforcing steel – Certificate of compliance.

Kleinfelder's level of effort is dependent on the Contractor's operation and is dependent on many things outside of QEI's and the City's control. Their assumed level of effort for the tasks is up to 820 hours.

TASK 6 – Post-Construction: Our QEI Team will perform the following as required during this task:

- Perform final observation of the project upon completion and provide written certification of substantial conformity with PS&E. Collect all written warranties provided by vendors, manufacturers, and the Contractor.
- Compute the final quantities and prepare the final estimate.
- Determine over-runs and under-runs and prepare a report of same with explanation of each.
- Prepare the *Final Invoice, Final Detail Estimate, Change Order Summary, Liquidated Damages/Contractors' Claims Report, Materials Certification, Report of Completion*, and such other forms and reports as may be required.
- Finalize Final As-built Plans for use by the City.
- Provide the original set of the project records, including inspections reports, summaries, testing documentation, meeting minutes, RFIs, schedules, correspondence, maps, plans, photo record, shop drawings, submittals, and manufacturer's literature.
- Assist the City with post- completion dispute resolution.

Please note that the level of effort required for dispute resolution is dependent on many things outside of QEI and the City's control and is not included in Exhibit B.



Exhibit B - Compensation Schedule

Rev. 09/30/09 SLM

USE	\$900,000.00
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Note 4 - Includes the following QEI direct costs (with 0% fee):

a) Field Office w/Computers will be a 3247 Ramos Circle

b) Misc. (includes mileage up to 30,000 @ \$0.55)

- c) City's Contractor is experienced with this type of work and will diligently pursue timely completion of the project
- d) QET Team's assumed staff level is as attached
- e) Travel expenses for source inspection of specialty materials will be paid by the Contractor.

a) the Tiburon Group - Scheduling assistance for complex contractor claims

Q

Exhibit B (Page 2 of 2)

Quincy Engineering, Inc. **Year 2009 Hourly Rates**

Rates are effective January 1, 2009 through December 31, 2009

Labor by Classification	Hourly Rate
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Principal Engineer/ Project Manager	\$50-80
Senior Engineer / Project Engineer	
Resident Engineer	\$44-78
Senior Engineer / Design Engineer	\$40-73
Associate Engineer / Bridge Representative	\$35-68
Assistant Engineer	\$25-46
Engineering Assistant/Technician	\$16-33
Engineering Detailer/ Draftsman	\$20-46
Drafting Technician	\$15-30
Administrative Assistant	\$15-36
Office Support Staff	\$10-26

Overhead	156.3%
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Other Direct Costs	Rate
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Office Computer & Software	Included in Overhead
Office Phone/Cell/Fax	Included in Overhead
Reproduction	
Black & White in office	Included in Overhead
Color in office	\$.07 per page
Vendor	Cost
Delivery	Cost
Car Mileage	Current Federal Rate (\$0.55/mi.)
Other Travel	Cost
Subconsultants	Cost
Short Term Per Diem	Not Applicable
Long Term Per Diem	Not Applicable
Pickup Truck	Not Applicable
Field Computer/Printer	Not Applicable
Field Cellular Phone	Not Applicable
Misc.	Cost

Fee

Labor + Overhead	10%
Other Direct Costs	0%

Note: Labor Costs to be invoiced based on actual hourly rate plus overhead plus fee. Other Direct Costs to be invoiced at actual cost.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 82-2009

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE CITY MANAGER TO EXECUTE A FOURTH CONTRACT AMENDMENT
WITH WOOD RODGERS INC. FOR CONTRACT NO. 115-2006 TO PROVIDE ENGINEERING
SERVICES FOR THE INTERNATIONAL DRIVE EXTENSION PROJECT**

WHEREAS, on November 6, 2006, the City of Rancho Cordova executed an agreement (Contract No. 115-2006) with Wood Rodgers, Inc. in the amount of \$700,000 to provide professional engineering services for the design and preparation of plans, specifications and estimates (PS&Es) for the International Drive Extension Project; and

WHEREAS, on September 10, 2007 the parties agreed that changes to the Scope of Work and Cost Estimates provided for the CSA (as those terms are defined in the CSA) were necessary to reflect changes in public outreach and Right-of-Way acquisition; and

WHEREAS, on May 1, 2008 the parties agreed that changes to the Scope of Work and Cost Estimates provided for the CSA (as those terms are defined in the CSA) were necessary to reflect changes in the design plans; and

WHEREAS, on October 20, 2008 the parties agreed that changes to the Scope of Work and Cost Estimates provided for the CSA (as those terms are defined in the CSA) were necessary to reflect changes in design of the bridge and landscaping; and

WHEREAS, the City has received a revised scope of work and cost estimate for specific services which would exceed the existing contract maximum; and

WHEREAS, the City wishes to extend the contracted amount to \$1,023,380 (**Exhibit A**); and

WHEREAS, those services will exceed the maximum amount that the City Manager has the authorization to approve.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA authorizes the City Manager to execute a fourth contract amendment with Wood Rodgers, Inc., Consultant, in a form approved by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dan Skoglund, Mayor

ATTEST:

Mindy Cuppy, CMC, City Clerk

**CONSTRUCTION SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND DESILVA GATES CONSTRUCTION**

THIS AGREEMENT made and entered into this day of _____, between the City of Rancho Cordova ("City") and DeSilva Gates Construction Inc. ("Contractor") as of _____, 2009.

W I T N E S S E T H:

WHEREAS, the City Council for the City heretofore caused plans and specifications for the work hereinafter mentioned to be prepared, and therefore did approve and adopt said plans and specifications; and

WHEREAS, the City Council for the City did cause to be published for the time and in the manner required by law, a Notice inviting sealed bids for the performance of said work; and

WHEREAS, the Contractor, in response to such Notice, submitted to the City Council for the City within the time specified in said Notice, and in the manner provided for therein, a sealed bid for the performance of the work specified in said plans and specifications, which said bid and proposal, and other bids and proposals submitted in response to said Notice, the City Council of public opened and canvassed in the manner provided by law; and

WHEREAS, the Contractor was the lowest responsible bidder for the performance of said work, and said City Council for the City as a result of the canvass of said bids, did determine and declare Contractor to be the lowest responsible bidder for said work and award to a contract therefore.

NOW THEREFORE, in consideration of the promises herein, it is mutually agreed between the parties hereto as follows:

Section 1. CONTRACT DOCUMENTS. The following documents are by this reference incorporated in and made a part of this Agreement: The County of Sacramento, Standard Construction Specifications dated January 2008; the Special Provisions; the contract drawings, all addenda; the Notice to Contractors; the Proposal; all required bonds; and all supplemental Agreements covering alterations, amendments, or extensions to the contract. The documents which describe the work to be performed are sometimes collectively referred to herein as the Plans and Specifications.

Section 2. SCOPE OF WORK. That the Contractor will furnish all labor, materials, services, transportation, appliances, and mechanical workmanship required for Contract No. 117-2009, as provided for and set forth in said plans and specifications, or in either of them, which said plans and specifications are hereby referred and by such reference incorporated herein and made a part of this Agreement. All of the said work done under this Agreement shall be under the supervision of and performed to the satisfaction of Public Works Director of City of Rancho Cordova who shall have the right to reject any and all materials and supplies furnished by the Contractor which do not comply with said plans and specifications, together with the right to require the Contractor to replace any and all work furnished by the Contractor which shall not either in workmanship or material be in strict accordance with said plans and specifications.

Section 3. COMPLETION. Said work shall be completed and ready for acceptance.

Section 4. PAYMENT. Attached hereto as Exhibit "A" and by reference made a part hereof, is the bid and proposal of Contractor. Said bid and proposal will contain, as required by the terms of said specifications, the full and complete schedule of the different items with the lump sums or unit prices as so specified. The City agrees in consideration of the work to be performed herein and subject to the terms and conditions thereof, to pay Contractor all sums of money which may become due to Contractor in accordance with the terms of the aforesaid bid and proposal, and this Agreement, to wit: Seven Million, Six Hundred and Eighty Four Thousand, Four Hundred and Eight Dollars (\$7,684,408). Said sum shall be paid in accordance with Section 8 of the Standard Specifications. With respect to that portion of the above sum as is based upon the estimated quantities specified for the general scope of the work to be performed herein, actual payment will be based upon the quantities as measured upon completion. No payment made under this Agreement shall be construed to be an acceptance of defective work or improper materials.

Section 5. PREVAILING WAGES. Pursuant to the provisions of Articles 1 and 2 of Chapter 1, Part 7, Division II, of the Labor Code of the State of California, not less than the general prevailing rate of per diem wages, and not less than the general prevailing rate of per diem wages for holidays and overtime work, for each craft, classification or type of worker needed to execute the work contemplated under this Agreement shall be paid to all workers, laborers and mechanics employed in the execution of said work by Contractor, or by any subcontractor doing or contracting to do any part of said work. The appropriate determination of the Director of the California Department of Industrial Relations is filed with, and available for inspection at City of Rancho Cordova, the office of the Clerk of the City. Contractor shall post, at each job site, a copy of such prevailing rate of per diem wages as determined by the Director for the California Department of Industrial Relations.

Section 6. INSURANCE. The Contractor shall carry and maintain during the life of this Agreement, such public liability, property damage and contractual liability, auto, worker's compensation and builders' risk insurance as required by the specifications.

Section 7. WORKERS' COMPENSATION CERTIFICATION. By execution of this Agreement, the Contractor certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

Section 8. PERFORMANCE AND PAYMENT BONDS. The Contractor shall, before beginning said work, file two bonds with the City, each made payable to the City. These bonds shall be issued by a surety company authorized to do business in the State of California, and shall be maintained during the entire life of the Agreement at the expense of the Contractor. One bond shall be in the amount of one hundred percent (100%) of the Agreement and shall guarantee the faithful performance of the Agreement. The second bond shall be the payment bond required by California Civil Code Division 3, Part 4, Title 15, Chapter 7, and shall be in the amount of one hundred percent (100%) of the Agreement. Any alterations made in the specifications which are a part of this Agreement or in any provision of this Agreement shall not operate to release any surety from liability on any bond required hereunder and the consent to

make such alterations is hereby given, and any surety on said bonds hereby waives the provisions of California Civil Code Sections 2819 and 2845.

Section 9. INDEMNIFICATION. The Contractor shall defend, indemnify the City and save harmless the (including their officers, agents, members, employees, affiliates, and representatives) as set forth in Section 6-2 of the Standard Specifications.

Section 10. MISCELLANEOUS PROVISIONS.

10.1 This Agreement shall bind and inure to the heirs, devisees, assignees, and successors in interest of Contractor and to the successors in interest of in the same manner as if such parties had been expressly named herein. All times states herein or in the contract documents are of the essence hereof. As used in this instrument the singular includes the plural, and the masculine includes the feminine and the neuter. This Agreement may create a possessory interest subject to property taxation, and Contractor may be subject to the payment of property taxes levied on such interest.

10.2 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.

10.3 Notices. Any written notice to Contractor shall be sent to:

Michael A. Kloos
DeSilva Gates Construction Inc.
11555 Dublin Boulevard
Dublin, Ca 94568

Any written notice to City shall be sent to:

Kathy Garcia
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

10.4 IRS Form W-9. Contractor 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 City Council and Contractor have caused this Agreement to be executed as of the day and year first above written.

CITY OF RANCHO CORDOVA:

CONTRACTOR:

Ted A. Gaebler, City Manager

Michael A. Kloos, Vice President

Date

Date

Attest:

Mindy Cuppy, City Clerk

Date

Approved as to Form:

Adam U. Lindgren, City Attorney

Date