



**AMENDED (1)
AGENDA**

**VALLEJO CITY COUNCIL
VALLEJO REDEVELOPMENT AGENCY
(SPECIAL JOINT MEETING WITH VALLEJO CITY COUNCIL)**

MARCH 6, 2007

MAYOR
Anthony Intintoli, Jr.

CITY COUNCIL
Gary Cloutier, Vice Mayor
Gerald Davis
Tony Pearsall
Tom Bartee
Hermie Sunga
Stephanie Gomes

City Hall
555 Santa Clara Street
Vallejo, CA 94590

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the City Council without prior notice and are not listed on the AGENDA, no specific answers or response should be expected at this meeting per State law.

Those wishing to address the Council on any matter for which another opportunity to speak is not provided on the AGENDA but which is within the jurisdiction of the Council to resolve may come forward to the podium during the "COMMUNITY FORUM" portion of the AGENDA. Those wishing to speak on a "PUBLIC HEARING" matter will be called forward at the appropriate time during the public hearing consideration.

Copies of written documentation relating to each item of business on the AGENDA are on file in the Office of the City Clerk and are available for public inspection. Information may be obtained by calling (707) 648-4527, TDD (707) 649-3562, or at our web site: <http://www.ci.vallejo.ca.us/>



Vallejo City Council Chambers is ADA compliant. Devices for the hearing impaired are available from the City Clerk. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

ITEM

ACTION

NOTICE: Members of the public shall have the opportunity to address the City Council concerning any item listed on the notice before or during consideration of that item. No other items may be discussed at this special meeting.

**VALLEJO CITY COUNCIL
SPECIAL MEETING/CLOSED SESSION
6:00 P.M.**

- A. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION, HENKE V. GIULIANI, ET AL, SOLANO COUNTY SUPERIOR COURT, CASE NO. FCS027089 PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a)
- B. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION, REGYNALD JACKSON V. CITY OF VALLEJO, ET AL., USDC, EASTERN DISTRICT, CASE NO. 2:05 2:05-CV-01399-LKK-GGH
- C. CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION: KETCHUM, ET AL. v. CITY OF VALLEJO, UNITED STATES DISTRICT COURT, EASTERN DISTRICT, SACRAMENTO DIVISION, CASE NO. 2:05-CV-01098-DFL-JFM, PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (a).

**VALLEJO CITY COUNCIL
REGULAR MEETING
7:00 P.M. CITY COUNCIL CHAMBERS**

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **PRESENTATIONS AND COMENDATIONS – NONE**
5. **PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS**

Members of the public wishing to address the Council on Consent Calendar Items are requested to submit a completed speaker card to the City Clerk. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.02.310. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Council. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda.

6. **CONSENT CALENDAR AND APPROVAL OF AGENDA**

All matters are approved under one motion unless requested to be removed for discussion by a Councilmember, City Manager, or member of the public subject to a majority vote of the Council.

- A. **APPROVAL OF A LEASE AGREEMENT BETWEEN THE CITY OF VALLEJO AND BRIAN F. BAYLIES FOR OFFICE SPACE AT 251 GEORGIA STREET CURRENTLY OCCUPIED BY VALLEJO FIRE PREVENTION DIVISION**

PROPOSED ACTION: Approve the resolution authorizing the City Manager to execute the lease agreement between the City of Vallejo and Brian F. Baylies through January 31, 2009 and to execute any other documents necessary to effect the agreement.

- B. **APPROVAL OF CONSULTANT SERVICES AGREEMENT FOR PUBLIC RELATIONS AND MEDIA SERVICES FOR THE "AVOID THE 10" DRIVING UNDER THE INFLUENCE (DUI) ENFORCEMENT PROGRAM**

The proposed resolution authorizes the City Manager to execute the subject agreement for public relations and media services required by the California Office of Traffic Safety (OTS) under the terms of a grant for a County-wide Driving Under the Influence (DUI) Enforcement Program. Cost of the public relations services provided under this contract will be reimbursed with OTS grant funds.

PROPOSED ACTION: Adopt a resolution approving the proposed Consultant Services Agreement with tmdgroup, Inc., for media and public relations services for the "AVOID The 10" DUI enforcement project.

- C. **APPROVE THE RESOLUTION ADOPTING THE ASSOCIATION OF BAY AREA GOVERNMENT (ABAG) TAMING NATURAL DISASTERS REPORT, LOCAL HAZARD MITIGATION PLAN ANNEX AND MITIGATION STRATEGIES AS THE CITY OF VALLEJO'S LOCAL HAZARD MITIGATION PLAN**

The Federal Disaster Mitigation Act of 2000 requires all cities, counties and special districts to have a Local Hazard Mitigation Plan in place before any disaster mitigation funding can be received from the Federal Emergency Management Agency (FEMA). On March 17, 2005, ABAG adopted *Taming Natural Disasters* as the Local Hazard Mitigation Plan for the San Francisco Bay Area. The aforementioned plan has been published for public review for a period of 10 days with no questions or comments stemming from that publishing.

PROPOSED ACTION: Approve the Resolution adopting the ABAG *Taming Natural Disasters* report and associated documents as the City of Vallejo's Local Hazard Mitigation Plan.

- D. APPROVAL OF A RESOLUTION AWARDING THE WATER MAINS CAPITAL IMPROVEMENT PROJECT FY 2006/2007 AND APPROVING CONTRACT CHANGE ORDER NO. 1 TO SOARES PIPELINE, INC., OF HAYWARD, CALIFORNIA

PROPOSED ACTION: Adopt the resolution awarding a Contract and authorizing deductive Contract Change Order No. 1 to Soares Pipeline, Inc. of Hayward, California for the Water Mains Capital Improvements Project FY 2006-2007.

- E. APPROVAL OF A RESOLUTION AWARDING A CONTRACT TO WEIR FLOWAY, INC., OF FRESNO, CALIFORNIA TO FURNISH TWO 250 HORSEPOWER VERTICAL TURBINE PUMPS AND MOTORS FOR THE TRANS-VALLEJO EMERGENCY BACK-UP PUMP STATION

PROPOSED ACTION: Adopt the resolution awarding a contract to Weir Floway Inc., of Fresno, California to furnish two 250 horsepower vertical turbine pumps and motors for the Trans-Vallejo Emergency Back-up Pump Station.

- F. APPROVAL OF A RESOLUTION ACCEPTING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2006

PROPOSED ACTION: Adopt the Resolution accepting the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2006.

- G. APPROVAL OF AMENDMENT TO 2007 COUNCIL APPOINTMENT LIST

PROPOSED ACTION: Adopt the resolution approving amendment to the 2007 Council Appointment List.

- H. ADOPTION OF AN ORDINANCE ADDING SECTION 3.20.229 TO THE VALLEJO MUNICIPAL CODE RELATING TO THE CREATION OF A REAL PROPERTY ASSET MANAGEMENT POLICY

PROPOSED ACTION: Hold final reading and adopt the ordinance.

7. PUBLIC HEARINGS - NONE

8. POLICY ITEMS - NONE

9. ADJOURN TO A JOINT MEETING WITH THE VALLEJO REDEVELOPMENT AGENCY AND THE VALLEJO CITY COUNCIL

10. ADMINISTRATIVE ITEMS

- A. CONSIDERATION OF RESOLUTIONS 1) APPROVING THE FISCAL YEAR 2006-2007 MID-YEAR FINANCIAL REPORT AND 2) ADOPTING A RESOLUTION OF INTENTION TO AMEND THE FISCAL YEAR 2006-2007 BUDGET

PROPOSED ACTION: Adopt a resolution approving the Fiscal Year 2006-2007 Mid-Year Financial Report and a resolution of intention to amend the Fiscal Year 2006-2007 Budget.

11. RECONVENE THE CITY COUNCIL MEETING

12. ADMINISTRATIVE ITEMS (CONTINUED)

- B. CONSIDERATION OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH NELSON/NYGAARD CONSULTING ASSOCIATES, INC. TO CONDUCT AN OPERATIONAL AND FINANCIAL ANALYSIS OF VALLEJO'S TRANSPORTATION SERVICES

The City of Vallejo owns Vallejo Transit, the local and express fixed route bus service; Vallejo Baylink, the ferry boat service from Vallejo to San Francisco; and Vallejo Runabout, the paratransit service for Americans with Disabilities Act (ADA) service eligible riders. These transit services are operated by private companies through contracts with the City of Vallejo.

The City's transit services have been designed to be funded wholly from revenues derived from fares, grants, and other operating income generated from transit related activities or services. In recent years, these transit revenues have failed to keep up with the increased operating costs, resulting in a rapidly growing cumulative operating deficit funded through loans from the City's General Fund and other City funds.

As result of this ongoing deficit in the transportation fund it was determined that the City needed a comprehensive operating and financial analysis of the City's transportation system that would provide the framework for an efficient, effective, and financially self-sustainable transportation system. It was decided that a Consultant should be engaged to evaluate and make recommendations on all aspects of the system including but not limited to: contracts, operating costs, potential new revenue sources, fare structure, schedules, routes/sailings, and organizational structure. The first objective of the consultants will be to help the transportation division determine the immediate and necessary actions to address the Fiscal Year 07-08 projected budget deficit estimated to be about \$2M. The second objective of the consultants will be to prepare contract and solicitation documents for the bus and ferry operations contracts which are expiring at the

end of this Fiscal Year. Both of these objectives are time sensitive and mission critical for the transportation system.

PROPOSED ACTION: Staff recommends approval of a resolution authorizing the City Manager to execute a contract with Nelson Nygaard Consulting Associates, Inc. to conduct an Operational and Financial Analysis of the City's Transportation Services.

- C. APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXTEND THE CURRENT CONTRACT WITH BLUE AND GOLD FLEET FOR AN ADDITIONAL SIX-MONTH PERIOD AND AUTHORIZING THE CITY MANAGER TO EXTEND THE CONTRACT FOR TWO ADDITIONAL THREE-MONTH TERMS AT HIS DISCRETION

The City owned ferry system is currently operated by contract with Blue and Gold Fleet. The initial five year term of the contract expires on June 30, 2007. There are five additional one year options available on the current contract.

The City is currently procuring consultant services to conduct a comprehensive operational and financial analysis of the Transportation Division. The scope of work for that analysis includes analyzing the current contracts, preparing recommendations for future contracts, and developing solicitation documents for the bus fixed route and ferry operations contracts.

After a review of the timelines required for analysis of the current contracting relationships, developing solicitation and contract documents, conducting the solicitation process, and allowing the vendor the time required for ramp up to operations, staff has determined that there is not sufficient time to properly procure and begin service under a new ferry operations contract. Staff is requesting that the contractor break up the one year option term into one initial six month extension, with two optional three month extensions that could be used at the discretion of the City.

PROPOSED ACTION: Approve a resolution authorizing the City Manager to exercise options to extend the current contract with Blue and Gold Fleet for Ferry Operations.

- D. APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH FAST FERRY MANAGEMENT, INC., FOR FERRY SERVICES OVERSIGHT, CONTRACT MONITORING, PLANNING, AND PROJECT MANAGEMENT

The City of Vallejo currently operates high speed ferry service between Vallejo and San Francisco through an operating contract with Blue and Gold Fleet. Under that contract the City of Vallejo provides capital facilities / equipment and funding to the operator who maintains the equipment and provides the labor and management necessary for operations. In September of 1999 the City entered into the current contract to monitor the Blue and Gold Fleet contract, provide for the administration and maintenance of vehicle warranty work, and perform project management for vessel and facility maintenance and infrastructure improvement projects.

As the current contract expiration date approached, staff saw a continued need for the services that were being provided, but wanted to address some specific areas with the new contract that were not fully addressed in the current contract. As the new scope of work was drafted for the RFP, staff wanted to ensure that there was no duplication of effort or responsibilities between Blue and Gold Fleet on site management and the Marine Services Manager. Staff also wanted to change the form of contract from a fixed monthly rate contract, plus hourly rates for project management tasks, to a time and materials not to exceed contract.

PROPOSED ACTION: Staff recommends that the City Council adopt a resolution authorizing the City Manager to enter into an agreement for ferry services oversight, contract monitoring, planning and project management with Fast Ferry Management, Inc.

E. CONSIDERATION OF A RESOLUTION AUTHORIZING THE CITY MANAGER OR A REPRESENTATIVE TO SOLICIT DONATIONS TO FUND THE ANNUAL FOURTH OF JULY PARADE AND CELEBRATION

PROPOSED ACTION: Staff recommends approving the resolution authorizing the City Manager or a representative to solicit funds from local businesses and outside organizations for the Fourth of July Parade and deny the approval of \$40,000 expenditure from the General Fund at this time.

F. PRESENTATION ON CONSOLIDATION OF POLICE SUBSTATIONS

PROPOSED ACTION: Information only.

13. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES - NONE

14. WRITTEN COMMUNICATIONS

Correspondence addressed to the City Council or a majority thereof, and not added to the agenda by the Mayor or a Council member in the manner prescribed in Government Code, Section 54954.2, will be filed unless referred to the City Manager for a response. Such correspondence is available for public inspection at the City Clerk's office during regular business hours.

15. CITY MANAGER'S REPORT

16. CITY ATTORNEY'S REPORT

17. COMMUNITY FORUM

Anyone wishing to address the Council on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Council to resolve, is requested to submit a completed speaker card to the City Clerk. When called upon, each speaker should step to the podium, state his /her name, and address for the record. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.20.300.

18. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL

19. **CLOSED SESSION:** *May recess to consider matters of pending litigation (GC 54956.9), personnel (GC 54957), labor relations (GC 54957.6), and real property negotiations (GC 54956.8). Records are not available for public inspection.*
20. **ADJOURNMENT**

**VALLEJO REDEVELOPMENT AGENCY
REGULAR MEETING AND
JOINT SPECIAL MEETING WITH VALLEJO CITY COUNCIL
7:00 P.M. CITY COUNCIL CHAMBERS**

NOTICE: *Members of the public shall have the opportunity to address the Redevelopment Agency concerning any item listed on the notice before or during consideration of that item. No other items may be discussed at this special meeting.*

1. CALL TO ORDER

A. ROLL CALL

2. PUBLIC HEARINGS – NONE

3. POLICY ITEMS - NONE

4. ADMINISTRATIVE ITEMS

A. CONSIDERATION OF RESOLUTIONS 1) APPROVING THE FISCAL YEAR 2006-2007 MID-YEAR FINANCIAL REPORT AND 2) ADOPTING A RESOLUTION OF INTENTION TO AMEND THE FISCAL YEAR 2006-2007 BUDGET

PROPOSED ACTION:

5. COMMUNITY FORUM

Anyone wishing to address the Agency on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Agency to resolve, is requested to submit a completed speaker card to the Secretary. When called upon, each speaker should step to the podium, state his /her name, and address for the record. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.20.300.

6. ADJOURNMENT



CITY OF VALLEJO

CONSENT
A

Agenda Item No.

COUNCIL COMMUNICATION

Date: March 6, 2007

TO: Mayor and Members of the City Council

FROM: Craig Whittom, Assistant City Manager / Community Development *W*
Susan McCue, Economic Development Program Manager *JMC*

SUBJECT: APPROVAL OF A LEASE AGREEMENT BETWEEN THE CITY OF VALLEJO AND BRIAN F. BAYLIES FOR OFFICE SPACE AT 251 GEORGIA STREET CURRENTLY OCCUPIED BY VALLEJO FIRE PREVENTION DIVISION

BACKGROUND & DISCUSSION

The Vallejo Fire Department's Fire Prevention Division is currently located in a two-story, 4,720 square foot office suite at 251 Georgia Street on a five-year lease that expired on January 31, 2007. Staff has negotiated a new two-year lease, with a City option to terminate the lease with six months notice, with Brian F. Baylies, the property owner. The current annual rent is \$50,290 with an annual CPI increase capped at 3%.

Because the Fire Department has identified a preferred location in the John F. Kennedy Library for its 6 full-time employees, staff negotiated a two-year extension of the recently expired lease. This new location will eliminate the rent costs associated with this Fire Department function and facilitate convenient communication between the Fire Prevention staff and the Development Services staff. The new location will improve internal interaction and enhance customer service to the public.

Solano Community College currently occupies the Library space but the College expects to vacate by October 2007. Having the two-year lease in place will facilitate the relocation of the Fire Prevention Division, including providing sufficient time to remodel the space to meet the Division's needs. Staff's intent is to provide notice to the Landlord of 251 Georgia Street on July 1, 2007 and occupy the JFK Library space by January 1, 2008.

Fiscal Impact

Under the two-year lease, rent would increase by \$0.06 per sq. ft. per month in year one, and \$0.03 per sq. ft. per month the second year, for an annual rent of \$53,808 for year one and \$55,507 for year two. The lease includes early termination language that will allow the City to terminate the lease by giving six months advanced notice. In addition to rent, the City pays for interior costs and utilities (water, gas, electric). Planning for Fire Prevention's permanent location should begin late spring of 2007 to allow time to review alternatives and optimize space utilization.

RECOMMENDATION

Staff recommends that the City Council approve the lease for 251 Georgia Street for two years, with a City option to terminate the lease with six months notice and authorize the City Manager, or his designee, to execute the lease documents.

ALTERNATIVES CONSIDERED

Staff considered exercising a five year option with an annual CPI rate increase. However this alternative is not consistent with the goals of the Downtown Specific Plan. Staff also considered the viability of relocating to other City-owned or leased properties and found the capital investment costs to be prohibitive. A two-year lease at 251 Georgia Street offers the most economic option while planning begins on a preferred permanent location in the John F. Kennedy Library.

ENVIRONMENTAL REVIEW

The approval of the Lease, as presented, will have no environmental impacts.

PROPOSED ACTION

Adopt the attached resolution authorizing the City Manager, or his designee, to sign the Lease for an additional two-year term between the City of Vallejo and Brian F. Baylies for the property at 251 Georgia Street.

DOCUMENTS AVAILABLE FOR REVIEW

Attachment A - Resolution

Attachment B - Lease between the City of Vallejo and Brian F. Baylies

CONTACT: Susan McCue, Economic Development Program Manager
707-553-7283 / smccue@ci.vallejo.ca.us

Steve England, Real Property and Asset Manager
707-649-48484 / sengland@ci.vallejo.ca.us

RESOLUTION NO. _____ N.C.

AUTHORIZATION TO ENTER INTO A LEASE AGREEMENT FOR 251 GEORGIA STREET WITH BRIAN F. BAYLIES

BE IT RESOLVED by the City of Vallejo as follows:

THAT WHEREAS; the Vallejo Fire Prevention Division is located at 251 Georgia Street on a property leased from Brian F. Baylies; and

WHEREAS, the current lease has expired on January 31, 2007 and the City wishes to enter into a new lease for the Fire Prevention Division at this location; and

WHEREAS, staff has negotiated with the property owner for a new lease to secure a two (2) year lease with a six (6) month early termination option.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the terms of the proposed lease subject to any clarifying changes approved by the City Manager and City Attorney, and authorizes City Manager's execution thereof together with any other documents estoppel certificate, memorandum of lease, or such other documents reasonably necessary to effect the amendment approved by the City Manager and City Attorney

LEASE

THIS LEASE is made and entered into at Vallejo, California this _____ day of _____ 2007, by and between Brian F. Baylies, sole owner, hereinafter referred to as "Landlord", and the City of Vallejo, California, a Municipal Corporation, hereinafter referred to as "Tenant". For and in consideration of the rental and of the covenants and agreements hereinafter set forth to be kept and performed by the Tenant, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises herein described for the term, at the rental and subject to and upon all of the terms, covenants, and agreements hereinafter set forth.

1. PREMISES

- 1.1 Description. Landlord hereby leases to Tenant and Tenant hereby hires from Landlord those certain Premises (hereinafter referred to as "Premises" having 4,720 square feet more or less) shown on Exhibit A, together with appurtenances, in its current "As-Is" condition, located in that certain set of buildings known as 251 Georgia Street.

2. TERMS

- 2.1 Term: The term of this lease shall be for a period of two (2) years commencing on April 1, 2007 and end on March 31, 2009.
- 2.2 Early Termination Option: In the event the Tenant determines that it will no longer require the use of the Premises through the Term of the Lease Extension the Tenant must provide the Landlord with six (6) months prior Notice of the City's intent to vacate the leased Premises. The Notice shall provide a firm date for early termination of the leased Premises.
- 2.3 Acknowledgment of Commencement Date. In the event the commencement date of the term hereof is other than as provided in Section 2.1, then Landlord and Tenant shall execute a written acknowledgment of the date of commencement and shall attach it to the Lease.

3. RENT

- 3.1 Rent. Tenant shall pay to Landlord as rent for the Premises in advance without reduction, offset, prior notice of demand, in lawful money of the United States, as follows:

Year One: Fifty-Three Thousand, Eight Hundred and Eight Dollars (\$53,808.00), and

Year Two: Fifty-Five Thousand, Five Hundred and Seventy Dollars (\$55,507.00).

The rent differential between the old and new rental rate for the period covering February 1st 2007 and the commencement date shall be paid to the Landlord by the City in recognition of the time required to process the lease documents after lease expiration date of January 31, 2007

The rental payments for the first through the second shall be in paid in equal monthly installments in advance on the first day of each calendar month.

4. USE

4.1 Use. The Premises shall be used and occupied by Tenant for operating and conducting a general office.

5. UTILITIES: Tenant shall pay for all gas, heat, light, power, and other services supplied to the Premises. Landlord shall pay for water and garbage.

6. MAINTENANCE AND REPAIRS: ALTERATIONS AND ADDITIONS

6.1 Maintenance and Repairs.

a. Tenant shall commit no act of waste and shall make all repairs to the Premises necessitated by the misconduct of its agents, employees and contractors. Tenant shall also, at its own expense, maintain and keep the Premises in good condition and repair, which shall include the interior and exterior of the building, windows, HVAC repairs not to exceed \$1,200 in any single event, plumbing and electrical systems of the building.

Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in the same condition as received, ordinary wear and tear and damage by fire, earthquake, Act of God, or the elements alone excepted.

b. Landlord shall, at its own expense, maintain and keep in good condition the sidewalks, foundation, roof and structural portions of the building. Landlord, at its own expense, shall make such repairs or replacements to the HVAC system which are of a capital nature and not the result of negligence on the part of Tenant.

c. Landlord shall do all acts required to comply with all applicable laws, or ordinances, regulations, and rules of any public authority relating to their respective maintenance obligations as set forth herein.

6.2 Alteration and Additions

- a. Tenant shall make no alterations, additions, or improvements to the Premises or any part thereof without first obtaining the prior written approval of Landlord.
- b. Tenant shall give Landlord written notice, not less than five (5) working days prior to any work or improvements to be performed by Tenant to the demised premises, thereby permitting Landlord to record and post Notices of Non-Responsibility.
- c. All articles or detached personal property, fixtures, and including movable partitions owned by Tenant in the Premises shall be and remain the property of the Tenant and may be removed by Tenant at any time during the term. If any detached items are removed, Tenant must restore building to original condition.

7. INDEMNITY

7.1 Hold Harmless and Indemnification

Landlord shall save Tenant, its officers, officials, directors, employees, agents and representatives harmless and indemnified from all loss, damage liability, or expense incurred, suffered, or claimed by any person by reason of Landlord's negligence or use of the leased premises or the building of which the leased premises are a part or of anything therein, on or adjacent thereto, or by any action not caused by the negligence of the Tenant.

- 7.2 Liability Insurance. The Tenant shall take out and maintain such liability insurance as shall protect itself, its directors, officials, officers, employees, agents, and representatives from claims which may arise from Tenant's negligence or use of the leased premises.

The amounts of insurance shall not be less than the following:

Combined Single Limit coverage applying to Bodily Injury, Personal Injury, and Property Damage Liability:

\$2,000,000

Liability insurance coverage for the City of Vallejo is afforded through the City of Vallejo, which agency will provide Landlord with appropriate certificates evidencing coverage and naming Landlord as an additional insured with the coverages indicated above.

- 7.3 Property Insurance. Landlord, at all times during this Lease, shall maintain in full force and effect a property insurance policy, including extended coverage, or all risk coverage endorsement. Coverage shall also be provided for all tenant improvements listed in Exhibit B of this Lease. Routine certification of property insurance coverage shall be provided to tenant, with cancellation notification to be provided within thirty (30) days of cancellation, for any reason.
- 7.4 Waiver of Subrogation. Landlord and Tenant each hereby waive any and all rights of recovery against the other or against the officers, employees, agents, and representatives of the other, on account of loss or damage occasioned to such waiving party or its property or the property of others under its control to the extent that such loss or damage is insured against under any fire and extended coverage insurance policy which either may have in force at the time of such loss or damage. Landlord shall, upon obtaining policies of insurance required above, give notice to the insurance carriers that the foregoing mutual waiver of subrogation is contained in this lease.
8. DAMAGE AND DESTRUCTION. In the event of the partial destruction of the Premises or the Building during the terms of the Lease: Landlord shall forthwith make such repairs provided such repairs can be made within sixty (60) days under applicable laws and regulations of the public authorities, but such partial destruction (including any such destruction necessary to make such repairs) shall in no event annul or void this Lease; provided that such partial destruction does not disrupt Tenant's conduct of business in an orderly and peaceful manner; provided, however, that Tenant shall be entitled to proportionate reduction in rent while such repairs are being made. If the partial destruction disrupts Tenant's conduct of business in an orderly and peaceful manner, this lease may be terminated at the option of tenant. If such repairs cannot be made within sixty (60) days, Landlord may, in consultation with tenant, make such repairs within a reasonable time, in which event this Lease shall continue in full force and effect, except that the rent shall be abated in accordance with the aforesaid proportionate reduction. This proportionate rent reduction will take effect from the date of partial destruction. In the event Landlord does not so elect to make such repairs which can be made under applicable laws and regulations, then this Lease may be terminated at the option of Tenant.
9. CONDEMNATION. If all or any part of the Premises shall be taken or appropriated for public or quasi-public use by right of eminent domain, with or without litigation or transferred by agreement in connection with such public or quasi-public use, either party hereto shall have the right at its option exercisable within thirty (30) days of receipt of notice of such taking to terminate this Lease as of the date possession is taken by the condemning authority, provided, however, that before Tenant may terminate this Lease by reasons of taking or appropriation as provided hereinabove such taking or appropriation shall be of

such an extent and nature as to substantially handicap, impede, or impair Tenant's use of the Premises. In the event of a partial taking which does not result in a termination of this Lease, rent shall be abated in the proportion which the part of the Premises so made unusable bears to the rented area of the Premises immediately prior to the taking. No temporary taking of the premises and/or of Tenant's right therein or under this Lease shall terminate this Lease. Any award made to Tenant by reason of any such temporary taking shall belong entirely to Tenant and Landlord shall not be entitled to share therein.

10. ASSIGNMENT AND SUBLETTING

10.1 Landlord's Consent Required. Tenant shall not voluntarily assign, transfer, mortgage, pledge, hypothecate, or encumber this lease or any interest herein without the prior written consent of the Landlord. The amount of rent and other considerations under any such assignment or sublease, including without limitation any amounts paid for the Tenant's interest in this Lease or the execution of such assignment of sublease, shall be the property of the tenant.

11. QUIET ENJOYMENT

11.1 Quiet Enjoyment. Landlord covenants and agrees with Tenant that upon Tenant paying rent and other monetary sums due under the Lease and performing its covenants and conditions under the Lease, Tenant shall be made peaceably and quietly have, hold, and enjoy the Premises for the term.

12. DEFAULT, REMEDIES

12.1 Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

- a. Any failure by Tenant to pay the rent or any other monetary sums required to be paid hereunder (where such failure continues for thirty (30) days after written notice by Landlord to Tenant);
- b. The abandonment or vacation of the Premises by Tenant;
- c. A failure by Tenant to observe and perform any other provision of this Lease to be observed or performed by Tenant, where such failure continues for thirty (30) days after written notice thereof by Landlord to Tenant; provided however, that if the nature of the default is such that the same cannot reasonably be cured within said thirty (30) day period, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently prosecute the same to completion;

12.2 Remedies: In the event of any such material default or breach by Tenant, Landlord may, at any time thereafter without limiting Landlord in the exercise

of any right or remedy at law or in equity which Landlord may have by reason of such default or breach:

- a. Maintain this Lease in full force and effect and recover the rent and other monetary charges as they become due, without terminating Tenant's right to possession irrespective of whether Tenant shall have abandoned the Premises.
- b. Terminate Tenant's right to possession by any lawful means, in which case this Lease shall terminate, and Tenant shall immediately surrender possession of the Premises to Landlord.
- c. Have the right to specific performance of any or all of the Tenant's obligation hereunder, and to damages for delay in or failure of such performance;
- d. Remedy such default or breach for Tenant's account and at Tenant's expense, without thereby waiving any other rights or remedies of Landlord with respect to such default or breach.

12.3 Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within ten (10) days after such amount shall be due, Tenant shall pay to Landlord a late charge equal to ten percent (10%) of effective monthly rent.

The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant.

12.4 Default by Landlord

- a. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing specifying wherein Landlord has failed to perform such obligations; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance then Landlord shall not be in default if Landlord or the holder of any first mortgage or deed of trust commences performance within such thirty-day period and thereafter completes such obligations.

b. Notwithstanding the provisions of Section 12.4 above, the occurrence of any of the following shall constitute a material default and breach of this lease by Landlord.

c. Maintenance of Landscape. Any failure of Landlord to maintain the landscape area in good appearance (free from weeds and debris), the rear area around the parking lot, and access ways including, but not limited to, the public plaza located west of the Premises.

12.5 Remedies. In the event of any such material default or breach by Landlord, Tenant may, at any time thereafter without limiting Tenant in the exercise of any right or remedy at law or in equity which Tenant may have by reason of such default or breach:

- a. Maintain this Lease in full force and effect and recover monetary charges as they become due, without terminating Tenant's right to possession irrespective of whether Tenant shall have abandoned the Premises. In the event Tenant elects not to terminate the Lease, Tenant shall have the right to attempt to occupy or sublease the Premises at such rent and upon such conditions and for such a term, and to do all acts necessary to maintain or preserve the Premises as Tenant deems reasonable and necessary without being deemed to have elected to terminate the Lease.
- b. Have the right to specific performance of any or all of Landlord's obligation hereunder, and to damages for delay in or failure of such performance;
- c. Remedy such default or breach for Tenant's account and at Landlord's expense, without thereby waiving any other rights or remedies of Tenant with respect to such default or breach.

13. SERVICE

13.1 Service Furnished by Landlord. Landlord agrees to furnish the Premises during reasonable and usual business hours, and provided Tenant is not in default under any of the provisions of this lease, Landlord shall provide the following:

a Maintenance, Rules and Regulations. Landlord shall, maintain the common areas, established and enforce reasonable rules and regulations concerning such areas, close any of the common areas to whatever extent required to prevent a dedication of any of the common areas or the accrual of any rights of any person or of the public to the common areas, close temporarily any of the common

areas for maintenance purposes, and make changes to the common areas including, without limitation, changes in the location of entrances and exists, with prior written approval of tenant. Landlord reserves the right to make reasonable rules affecting the common areas, and their maintenance, in and around the Building and Premises throughout the Lease term, with prior written approval of tenant.

14. MISCELLANEOUS

14.1 Estoppel Certificate

- a. Tenant shall at any time upon not less than thirty (30) days prior written notice deliver to Landlord a statement in writing: (1) certifying that this Lease is unmodified and in full from Landlord execute, acknowledge, and force and effect or, if modified, stating the nature of such modification and certifying that this Lease, as so modified is in full force and effect and the date to which the rent and other charges are paid in advance, if any, and (2) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder (or acts of omissions which would constitute defaults if uncured after notice) or specifying such defaults or acts of omissions if any are claimed. Any such statement may be conclusively relied upon by an prospective purchaser or encumbrance of the Premises;
- b. Tenant's failure to deliver such statement within such time shall be conclusive upon Tenant (1) that this Lease is in full force and effect, without modifications except as may be represented by Landlord, (2) that there are no uncured defaults in Landlord's performance (or acts or omissions which would constitute defaults if uncured after notice), and (3) that not more than one month's rent has been paid in advance.

14.2 Transfer of Landlord's Interest. In the event of a sale or conveyance by Landlord of Landlord's interest in the Premises or the Building, other than a transfer for security purposes only, Landlord shall be relieved from and after the date specified in any such notice of transfer of all obligations and liabilities accruing thereafter on the part of Landlord at the time of transfer in which Tenant has an interest shall be delivered to the successor of Landlord. This Lease shall not be affected by any such sale and Tenant agrees to attorn to the purchaser or assignee provided all landlord's obligations hereunder are assumed in writing by the transferee.

14.3 Tenant Responsibility - Janitorial and Maintenance Service. Tenant shall be responsible for normal janitorial and maintenance service, including the sweeping and clearing of floors and cleaning of windows, replacement of light globes and/or fluorescent tubes in the standard lighting fixtures, entries and toilet rooms.

14.4 Landlord Responsibility - Property Tax Exemption based on Use of Public Agency. Landlord hereby acknowledges that Tenant is a public agency. Landlord will apply to obtain a real property tax exemption from Solano County Tax Assessor or Tax Collector, as appropriate. Application of such real property tax exemption shall be based on the use of the Premises by Tenant, a public agency. Landlord must submit to Tenant written documentation demonstrating Landlord's attempts to obtain such real property tax exemption. In the event that Landlord is granted a real property tax exemption as described above, Landlord must credit Tenant the entire amount of the real property tax exemption by reducing the rent as set forth in Section 3.1 and 3.2 of this Lease.

14.5 Captions: Attachments: Defined Terms.

- a. The captions of the paragraphs of this Lease are for convenience only and shall not be deemed to be relevant in solving any questions of interpretation or construction of any section of this Lease.
- b. Exhibits attached hereto, and addendums and schedules initiated by the parties, are deemed by attachment to constitute part of this Lease and are incorporated herein.
- c. The words "Landlord" and "Tenant", as used herein, shall include the plural as well as the singular. Words used in neuter gender include the masculine and feminine and words in the masculine or feminine include the neuter. If there be more than one Landlord or Tenant, the obligations hereunder imposed upon Landlord or Tenant shall be joint and several; as to a Tenant which consists of husband and wife, the obligations shall extend individually to their sole and separate property as well as community property. The term "Landlord" shall mean only the owner or owners at the time in question of the fee title or a tenant's interest in a ground lease of the Premises. The obligations contained in this Lease to be performed by Landlord shall be binding on Landlord and its successors and assigns only during their respective periods of ownership.

14.6 Entire Agreement. This instrument along with any exhibits and attachments hereto constitutes the entire agreement between the Landlord and Tenant relative to the premises, and this Agreement and the exhibits and attachments may be altered, amended, or revoked only by an instrument in writing signed by both Landlord and Tenant. Landlord and Tenant agrees hereby that all prior or contemporaneous oral agreements between and among themselves and their agents or representatives relative to the leasing of the Premises are merged in or revoked by this Agreement.

14.7 Severability. If any term or provision of this Lease shall, to any extent, be determined by a Court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

- 14.8 Time: Joint and Several Liability. Time is of the essence of this Lease and each and every provision hereof, except as to the conditions relating to the delivery of possession of the Premises to Tenant. All the terms, covenants, and conditions contained in this lease to be performed by either party, if such party consists of more than one person or organization, shall be deemed to be joint and several, and all rights and remedies of the parties shall be cumulative and nonexclusive of any other remedy at law or in equity.
- 14.9 Bonding Effect: Choice of Law. The parties hereto agree that all provisions hereof are to be construed as both covenants and conditions as though the words importing such covenants and conditions were used in each separate paragraph hereof. Subject to any provisions hereof restricting assignment or subletting by Tenant subject to Sections 10.1, all of the provisions hereof shall bind and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, and assigns. This Lease shall be governed by and construed in accordance with the laws of the State of California applicable to leases of real property in California.
- 14.10 Waiver. No covenant, term, or condition, or the breach thereof shall be deemed waiver, except by written consent of the party against whom the waiver is claimed, and any waiver or the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition. Acceptance by Landlord of any performance by Tenant after the time the same shall have become due shall not constitute a waiver by landlord of the breach or default of any covenant, term, or condition unless otherwise expressly agreed to by Landlord in writing.
- 14.11 Surrender of Premises. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger.
- 14.12 Reasonable Consent. Except as limited elsewhere in this Lease, whenever landlord or Tenant is required to give its consent or approval to any action on the part of the other, such consent or approval shall not be unreasonably withheld. In the event of failure to give any such consent, the other party shall be entitled to specific performance at law and shall have other remedies as are reserved to it under this Lease, but in no event shall Landlord or Tenant be responsible in monetary damages for failure to give consent unless said consent is withheld maliciously or in bad faith.
- 14.13 Notices. All notices or demands of any kind required or desired to be given by Landlord or Tenant hereunder shall be in writing and shall be deemed delivered upon receipt if delivered personally or by expedited courier service, or forty-eight (48) hours after depositing the notice or demand in the United States Mail, certified or registered, postage prepaid, addressed to the Landlord or Tenant respectively at

the addresses set forth hereinafter. Either party may change its address for notice by written notice to the other.

Notice to Landlord: Brian E. Baylies

P. O. Box 766
Danville, CA 94526

Notice to Tenant: City of Vallejo

555 Santa Clara Street
Vallejo, CA 94590
Attn: Economic Development

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease the date and year first above written.

TENANT:

City of Vallejo

Joseph M. Tanner
City Manager

LANDLORD:

Brian F. Baylies

Brian F. Baylies
Owner

APPROVED AS TO CONTENT:

Craig Whittom

APPROVED AS TO FORM:

Frederick G. Soley
City Attorney

ATTEST:

Mary Ellsworth
Acting City Clerk

APPROVED AS TO INSURANCE REQUIREMENTS:

William R. Venski
Risk Manager

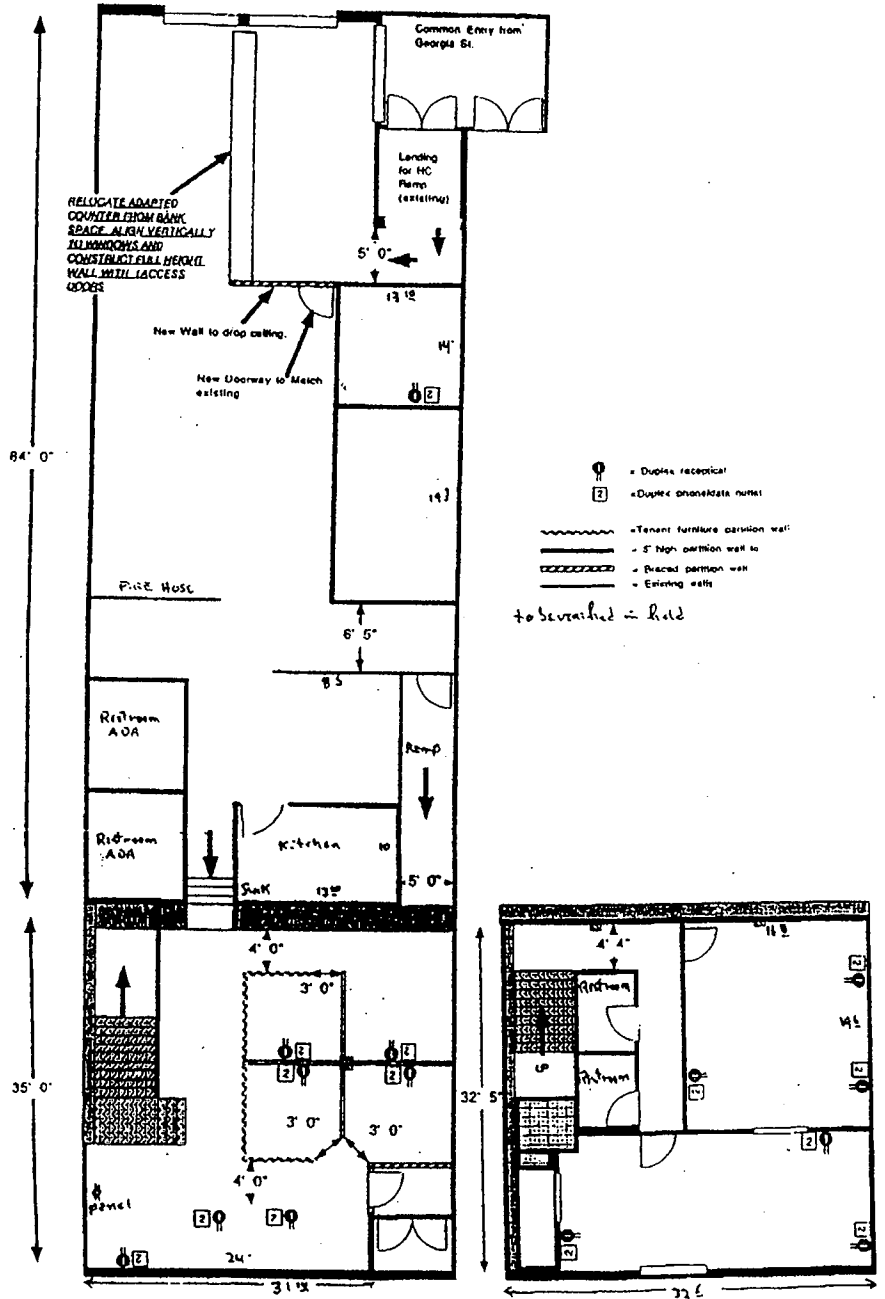
EXHIBIT A
Description of Premises (and Floor Plan)

Premises are known as 251 Georgia Street and described on the following floor plan:

EXHIBIT A

Description of Premises (and Floor Plan)

Premises are known as 251 Georgia Street and described on the following floor plan:



DOWNSTAIRS:
251 GEORGIA ST.
VALLEJO, CALIF.

UPSTAIRS:
251 GEORGIA ST.

photo reduced for reference



CONSENT B

Agenda Item No.

COUNCIL COMMUNICATION

Date: March 6, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Robert W. Nichelini, Chief of Police *RWN*

SUBJECT: Approval of Consultant Services Agreement for Public Relations and Media Services for the "AVOID The 10" DUI Enforcement Program

SUMMARY

The proposed resolution authorizes the City Manager to execute the subject agreement for public relations and media services required by the California Office of Traffic Safety (OTS) under the terms of a grant for a County-wide Driving Under the Influence (DUI) Enforcement Program. All costs for the public relations services provided under this contract will be reimbursed.

BACKGROUND AND DISCUSSION

Last year the Vallejo Police Department was selected by OTS to administer the "AVOID The 10" drunk driving enforcement program through January 1, 2009. All ten Solano County law enforcement agencies participate in this program to promote community awareness of the problems associated with drinking and driving. Regular DUI checkpoints and special enforcement activities are conducted in Vallejo and throughout the County to reduce the incidence of alcohol related accidents and deaths. Special enforcement operations are conducted during holiday periods including Christmas, New Years, Memorial Day, and Labor Day.

OTS has specific publicity requirements for this program and recommends a media consultant be hired to provide public relations and media services over the life of the grant to insure compliance with OTS regulations. These service costs are paid by grant funds.

The tmdgroup, Inc., has extensive experience in providing media and public relations services for OTS sponsored projects, and staff has negotiated the proposed contract with them for the "AVOID The 10" program.

FISCAL IMPACT: None. All grant related expenses, including this contract, are reimbursed by the California Office of Traffic Safety.

PROPOSED ACTION: Staff requests Council adopt a resolution approving the proposed Consultant Services with tmdgroup, Inc., for media and public relations services for the "AVOID The 10" DUI enforcement project.

DOCUMENTS ATTACHED

- a. Resolution approving and authorizing the City Manager to execute the Agreement.
- b. Consultant and Professional Services Agreement with tmdgroup, Inc.

CONTACT PERSON

Sergeant Kelly Schroeder
Vallejo Police Department
(707) 648-3569
E-mail: 429@ci.vallejo.ca.us

RESOLUTION NO. _____ N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, the Vallejo Police Department has received a grant from the California Office of Traffic Safety to administer a County-wide Drunk Driving Enforcement Program entitled "AVOID The 10" Program; and

WHEREAS, the Office of Traffic Safety requires specific publicity and media activities to educate the public about the enforcement efforts; and

WHEREAS, the Office of Traffic Safety provides funds for a media and public relations consultant to meet these requirements.

NOW, THEREFORE, BE IT RESOLVED that the proposed Consultant and Professional Services Agreement with tmdgroup, Inc., is hereby approved, and the City Manager is hereby authorized to execute said Agreement.

MARCH 6, 2007

Citywide/Public/AI/PD/AVOIDstaffreport 030607.doc

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

This Agreement ("AGREEMENT") is made at Vallejo, California, on the _____ day of _____, 2007, by and between the CITY OF VALLEJO, a Municipal Corporation ("CITY"), and tmdgroup, inc., a Public Relations and Media Services Firm, hereinafter referred to as CONSULTANT, who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this AGREEMENT, CONSULTANT shall provide the CITY professional services as specified in Exhibit A, entitled "Scope of Work", which is attached hereto and made a part hereof.
2. **Payment.** CITY shall pay CONSULTANT for services rendered pursuant to this AGREEMENT at the times and in the manner set forth in Exhibit B, entitled "Compensation", which is attached hereto and made a part hereof. The payments specified in Exhibit B shall be the only payments to be made to CONSULTANT for services rendered pursuant to this AGREEMENT.
3. **Facilities and Equipment.** CONSULTANT shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing services pursuant to this AGREEMENT.
4. **Indemnification.** CONSULTANT shall defend and hold harmless CITY, its officers, officials, directors, employees, agents, volunteers and affiliates and each of them from any and all claims, demands, causes of action, damages, costs, expenses, actual attorney's fees, consultant's fees, expert fees, losses or liability, in law or in equity, of every kind and nature whatsoever arising out of or in connection with CONSULTANT'S operations, or any subcontractor's operations, to be performed under this agreement for CONSULTANT'S or subcontractor's tort negligence including active or passive, or strict negligence, including but not limited to personal injury including, but not limited to bodily injury, emotional injury, sickness or disease, or death to persons and/or damage to property of anyone, including loss of use thereof, caused or alleged to be caused by any act or omission of CONSULTANT, or any subcontractor, or anyone directly or indirectly employed by any of them or anyone for the full period of time allowed by the law, regardless to any limitation by insurance, with the exception of the sole negligence or willful misconduct of the CITY.

Approval of insurance coverage does not, in any way, relieve the CONSULTANT of any liability.
5. **Insurance Requirements.** CONSULTANT agrees to comply with all of the Insurance Requirements set forth in Exhibit C, entitled "Insurance

Requirements For Consultant", which is attached hereto and made a part hereof.

6. **Conflict of Interest.** CONSULTANT shall not enter into any contract or agreement during the performance of this AGREEMENT which will create a conflict of interest with its duties to CITY under this AGREEMENT.
7. **Independent Contractor.** CONSULTANT shall be an independent contractor and shall not be an employee of CITY while performing services pursuant to this AGREEMENT. CITY shall have the right to control CONSULTANT only insofar as the results of CONSULTANT'S services rendered pursuant to this AGREEMENT; however, CITY shall not have the right to control the means by which CONSULTANT accomplishes services pursuant to this AGREEMENT.
8. **Licences, Permits, Etc.** CONSULTANT represents and warrants to CITY that it has all professional licenses, permits, qualifications and approvals of whatsoever nature which are legally required for CONSULTANT to practice its profession. CONSULTANT represents and warrants to CITY that it shall, at its sole cost and expense, keep in effect at all times during the term of this AGREEMENT any licenses, permits, and approvals which are legally required for CONSULTANT to practice its profession.
9. **Standard of Performance.** CONSULTANT shall perform all services required pursuant to this AGREEMENT in a manner and according to the standards observed by a competent practitioner of the profession in which CONSULTANT is engaged. All products and services of any nature which CONSULTANT provides to CITY pursuant to this AGREEMENT shall conform to the standards of quality normally observed by licensed, competent professionals practicing in CONSULTANT'S profession.
10. **Time for Performance.** CONSULTANT shall devote such time to the performance of the services required by this AGREEMENT as may be reasonably necessary for the satisfactory performance of its obligations pursuant to this AGREEMENT. Neither party shall be considered in default of this AGREEMENT to the extent performances are prevented or delayed by any cause, present or future, which is beyond the reasonable control of the parties set forth in this AGREEMENT.
11. **Personnel.** CONSULTANT agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services pursuant to this AGREEMENT. Failure to assign such competent personnel shall constitute grounds for termination of this AGREEMENT pursuant to Section 14 of this AGREEMENT.

12. **Consultant Not Agent.** Except as CITY may authorize 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.
13. **Abandonment by CITY.** Upon abandonment of the project encompassed by this AGREEMENT by CITY, and written notification to CONSULTANT, this AGREEMENT shall terminate. CONSULTANT shall be entitled to compensation earned by it prior to the date of termination, computed prorated up to and including the date of termination. CONSULTANT shall not be entitled to any further compensation as of the date of termination. All charges incurred shall be payable by CITY within thirty (30) days following submission of a final statement by CONSULTANT.
14. **Termination by CITY.** Should CITY, at any time, and in its sole discretion, become dissatisfied with CONSULTANT'S performance under this AGREEMENT, it may terminate the AGREEMENT immediately upon giving notice to CONSULTANT. In the event of such a termination, CONSULTANT shall be compensated for all reasonably satisfactory work completed at the time of termination.
15. **Products of Consulting Services.** All information developed pursuant to this AGREEMENT, and all work sheets, reports and other work products, whether complete or incomplete, of CONSULTANT resulting from services rendered pursuant to this AGREEMENT, shall become the property of CITY. CONSULTANT does not assume any liability which may arise from the use of its work products created under this AGREEMENT for other than their specific intended purpose.
16. **Cooperation by CITY.** CITY shall, to the extent reasonable and practicable, assist and cooperate with CONSULTANT in the performance of CONSULTANT'S services hereunder.
17. **Assignment and Subcontracting Prohibited.** No party to this AGREEMENT may assign any right or obligation pursuant to this AGREEMENT. Any attempted or purported assignment of any right or obligation pursuant to this AGREEMENT shall be void and of no effect.

CONSULTANT shall not subcontract any services to be performed under this AGREEMENT without the prior written consent of CITY.
18. **Non-Discrimination/Fair Employment Practices.** CONSULTANT agrees to observe the provisions of CITY'S Public Works Contracts Affirmative

Action Ordinance (Ordinance No. 36 N.C. (2d), as amended, Vallejo Municipal Code, Chapter 2.72) obligating every contractor or consultant under a contract or subcontract to CITY for public works or for goods or services to refrain from discriminatory employment practices on the basis of race, religious creed, color, sex, national origin, or ancestry of any employee of, or applicant for employment with, such contractor or consultant. By this reference, said Ordinance is incorporated in and made a part of this AGREEMENT.

19. **Notices.** All notices pursuant to this AGREEMENT shall be in writing and mailed, postage prepaid, first class mail or personally delivered as follows:

If to CITY: Sergeant Kelly Schroeder
Vallejo Police Department
111 Amador Street
Vallejo CA 94590
707-648-3569

If to CONSULTANT: Lou Costanza
General Manager
tmdgroup Inc.
2775 Cottage Way, Ste 15
Sacramento, CA 94539

20. **Integration Clause.** This AGREEMENT constitutes the entire agreement of the parties and may not be amended, except in a writing signed by both parties.
21. **Severability Clause.** Should any provision of this AGREEMENT ever be deemed to be legally void or unenforceable, all remaining provisions shall survive and be enforceable.
22. **Law Governing.** This AGREEMENT shall in all respects be governed by the law of the State of California. Litigation arising out of or connected with this AGREEMENT shall be instituted and maintained in the courts of Solano County in the State of California, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
23. **Waiver.** Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.

24. **Confidentiality of CITY Information.** During performance of this AGREEMENT, CONSULTANT may gain access to and use City information regarding, but not limited to, [insert department name] procedures, policies, training, operational practices, and other vital information (hereafter collectively referred to as "City Information") which are valuable, special and unique assets of the CITY. CONSULTANT agrees to protect all City Information and treat it as strictly confidential, and further agrees CONSULTANT will not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of CITY. A violation by CONSULTANT of this paragraph shall be a material violation of this AGREEMENT and will justify legal and/or equitable relief.
25. **CITY Representative.** The CITY Representative specified in Exhibit A, or the representative's designee, shall administer this AGREEMENT for the CITY.
26. **Counterparts.** The Parties may execute this AGREEMENT in two or more counterparts, which shall, in the aggregate, be signed by all the Parties; each counterpart shall be deemed an original of this AGREEMENT as against a Party who has signed it.
27. **Authority.** The person signing this Agreement for CONSULTANT hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONSULTANT
28. **Exhibits.** The following exhibits are attached hereto and incorporated herein by reference:
- A. Exhibit A, entitled "Scope of Work", consisting of 3 pages.
 - B. Exhibit B, entitled "Compensation", consisting of 3 pages.
 - C. Exhibit C, entitled "Insurance Requirements For Consultant", consisting of 3 pages.

(SIGNATURES ARE ON FOLLOWING PAGE)

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

**tmdgroup inc.,
Public Relations Firm**

By: _____
Lou Costanza
General Manager

**CITY OF VALLEJO,
A Municipal Corporation**

By: _____
Joseph M. Tanner
City Manager

(City Seal)

ATTEST:

By: _____
City Clerk

APPROVED AS TO CONTENT:

Robert Stout
Finance Director

**APPROVED AS TO INSURANCE
REQUIREMENTS:**

Will Venski
Risk Manager

APPROVED AS TO FORM:

Frederick G. Soley, City Attorney

EXHIBIT A

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

SCOPE OF WORK

1. Representatives:

CITY Representative for this AGREEMENT is:

Sergeant Kelly Schroeder
Vallejo Police Department
111 Amador Street
Vallejo CA 94590
707-648-3569

All CONSULTANT correspondence to the CITY will be addressed to and questions pertaining to this AGREEMENT will be referred to the City Representative or the Representative's designee.

CONSULTANT Representative for this AGREEMENT is:

Lou Costanza
General Manager
tmdgroup Inc.
2775 Cottage Way, Ste 15
Sacramento, CA 94539
(916) 487-5109

All CITY questions pertaining to this AGREEMENT will be referred to the CONSULTANT Representative. All correspondence to CONSULTANT shall be addressed to the address set forth above.

2. Services to be Provided:

Consultant shall provide the following services related to the "AVOID THE 10" Driving Under the Influence (DUI) Solano County Task Force Program:

a. Graphic Design/Campaign Materials/Reprints

Consultant upon request, will design, produce, and/or reprint AVOID The Solano 10 campaign materials. Materials may include, but are not limited to: posters in two (2) sizes (18"x 24" and 11" x 17 " in English and Spanish, flyers, newspaper ads, and pins/awards.

All campaign materials will be produced in high quality at the most reasonable price. The City representative will review all concepts and approve final artwork prior to production. All new materials will reflect the established program theme.

b. Campaign Period Press Conferences/Press Relations

Consultant will assist in representing Solano County's interests at the events and disseminate press releases/ press contacts for the Solano County media for the following enforcement periods:

- Memorial Day Weekend , 2006 and 2007
- Labor Day Weekend, 2006 and 2007
- Winter Holiday: December 15, 2006 through January 1, 2007; December 14, 2007 through January 1, 2008; December 12, 2008, through January 1, 2009
- Optional Campaigns to be determined by the Task Force

Consultant will coordinate, edit, duplicate, and assemble press kits for the Press conferences and for dissemination to members of the press. Follow up calls to the press will also be made.

c. Media Buying/Production

Consultant will purchase media including radio and television/cable advertising during key campaign times. Consultant will also solicit "partners" among the AVOID program to share in the costs of these buys. Consultant will write and produce the messages for these campaigns.

d. Liaison to the Office of Traffic Safety for Approvals

Consultant will assist the City representative on an "as needed" basis to secure approvals and provide proof of publication to the State Office of Traffic Safety. The City representative will provide approval of activities on a day-to-day basis.

3. Cost of Services

4. Compliance with Laws.

CONSULTANT will comply with all statutes, regulations and ordinances in the performance of all services pursuant to this AGREEMENT.

5. Term.

The term of this AGREEMENT shall commence on the date of complete execution of this AGREEMENT and shall continue in full force and effect through January 1, 2009, or unless terminated by CITY pursuant to Paragraph 14 of this AGREEMENT prior to that time.

EXHIBIT B

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

COMPENSATION

1. CONSULTANT'S Compensation.

- a. The services will be provided by the following Consultant personnel at the rates listed:

Project Manager: Lou Costanza	\$100/hour
Copywriter	\$100/hour
Creative Director	\$85/hour
Graphic Designer	\$65/hour
Administrative Support	\$45/hour

- b. Printing, translations, and shipping costs will be determined based on Consultant's specific assignment. Consultant will obtain a minimum of three bids to establish the most "reasonable" price. An estimate of each project will be presented to the City representative for review and approval before production of campaign materials is ordered.
- c. Media buys and media production costs will vary based on the Consultant's assigned task. All media related costs are to be approved by the City representative before Consultant contracts for media and/or media production services.
- d. Consultant's travel expenses related to services provided under the agreement shall be reimbursed at the rate of \$.375 per mile, and per diem expenses will be reimbursed at State of California approved rates.
- e. The total cost of services over the entire term of the agreement will not exceed \$40,000.

2. Payments to CONSULTANT.

- a. Payments to CONSULTANT shall be made within a reasonable time after receipt of CONSULTANT'S invoice, said payments to be made in proportion to services performed.
- b. Request for payment shall be sent to:

Sergeant Kelly Schroeder
Vallejo Police Department
111 Amador Street
Vallejo CA 94590

5. Accounting Records of CONSULTANT.

CONSULTANT shall maintain for three (3) years after completion of all services hereunder, all records under this AGREEMENT, including, but not limited to, records of CONSULTANT'S direct salary costs for all Services and Additional Services performed under this AGREEMENT and records of CONSULTANT'S Reimbursable Expenses, in accordance with generally accepted accounting practices and shall keep such records available for inspection and audit by representatives of the Finance Department of CITY at a mutually convenient time.

6. Taxes.

CONSULTANT shall pay, when and as due, any and all taxes incurred as a result of CONSULTANT'S compensation hereunder, including estimated taxes, and shall provide CITY with proof of such payments upon request. CONSULTANT hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of CONSULTANT'S breach of this Section.

EXHIBIT C

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

INSURANCE REQUIREMENTS FOR CONSULTANT

CONSULTANT shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of work hereunder by the CONSULTANT, their agents, representatives, or employees or subconsultants:

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, code 1 any auto and endorsement CA 0025.
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Professional Liability insurance appropriate to the CONSULTANT'S profession (Errors and Omission).

B. Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation and Employer's Liability: \$1,000,000 per accident for bodily injury or disease. If CONSULTANT is not subject to California Workers' Compensation requirements, CONSULTANT shall file a completed certificate of exemption form which may be obtained from the County prior to commencing any activity authorized hereunder.
4. Professional Liability (Errors and Omission): \$1,000,000 combined single limit per occurrence, and annual aggregate.

C. Deductible and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City of Vallejo, its officers, officials, employees and volunteers; or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions

The general liability and automobile liability policies, as can be provided, are to contain, or be endorsed to contain, the following provisions:

1. The City of Vallejo, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects; liability, including defense costs, arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the City of Vallejo, its officers, officials, employees, agents or volunteers. The insurance is to be issued by companies licensed to do business in the State of California.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City of Vallejo, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City of Vallejo, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees, agents or volunteers.
4. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to 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.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

F. Verification of Coverage

Consultant shall furnish the City with original endorsements effecting general and automobile liability insurance coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.

G. Subconsultants

Consultant shall include all subconsultants as insureds under its policies or shall furnish separate certificates and endorsements for each subconsultant. All coverages for subconsultants shall be subject to all of the requirements stated herein.




CONSENT C

Agenda No.

COUNCIL COMMUNICATION

Date: March 6, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Donald R. Parker, Fire Chief 

SUBJECT: Approve the Resolution adopting the ABAG *Taming Natural Disasters* and associated documents as the City of Vallejo's Local Hazard Mitigation Plan

BACKGROUND AND DISCUSSION

The Federal Disaster Mitigation Act of 2000 requires all cities, counties and special districts to have a Local Hazard Mitigation Plan in place before any disaster mitigation funding can be received from the Federal Emergency Management Agency. ABAG has approved and adopted the *Taming Natural Disasters* report (dated March 17, 2005) as the multi-jurisdictional Local Hazard Mitigation Plan for the San Francisco Bay Area.

The aforementioned report was published in the newspaper for a 10-day period for public review. No comments or questions arose from said publishing, so the next step is to have the *Taming Natural Disasters* report, including the Local Hazard Mitigation Plan ANNEX and Mitigations Strategies adopted by the City Council.

RECOMMENDATION

Staff recommends Council adopt the ABAG *Taming Natural Disasters* report, including the Local Hazard Mitigation Plan ANNEX and Mitigations Strategies, as the Local Hazard Mitigation Plan,

ALTERNATIVES CONSIDERED

No alternatives were considered due to the nature of the above-referenced report.

ENVIRONMENTAL REVIEW

No environmental review is required.

PROPOSED ACTION

Approve the Resolution adopting the ABAG *Taming Natural Disasters* and associated documents as the City of Vallejo's Local Hazard Mitigation Plan.

DOCUMENTS AVAILABLE FOR REVIEW

- a. Resolution

CONTACT PERSON

Donald R. Parker, Fire Chief, ext. 4420

RESOLUTION NO. 07-

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, the Federal Disaster Mitigation Act of 2000 requires all cities, counties and special districts to have a Local Hazard Mitigation Plan adopted to receive disaster mitigation funding from FEMA and ABAG has approved and adopted the ABAG report *Taming Natural Disasters* as the multi-jurisdictional Local Hazard Mitigation Plan for the San Francisco Bay Area; and

WHEREAS, the ABAG report *Taming Natural Disasters*, along with the Local Hazard Mitigation Plan ANNEX and Mitigations Strategies, have been published for a period of 10 days for public review, with no comments or questions stemming from said publishing.

NOW, THEREFORE, BE IT RESOLVED, that the Vallejo City Council hereby adopts the ABAG report *Taming Natural Disasters*, Local Hazard Mitigation Plan ANNEX and Mitigation Strategies as the City of Vallejo's Local Hazard Mitigation Plan.




CONSENT D

Agenda Item No.

COUNCIL COMMUNICATION

Date: March 6, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: APPROVAL OF A RESOLUTION AWARDING THE WATER MAINS CAPITAL IMPROVEMENTS PROJECT FY 2006-2007 AND AUTHORIZING CONTRACT CHANGE ORDER NO 1. TO SOARES PIPELINE, INC. OF HAYWARD, CALIFORNIA

BACKGROUND

The Water Mains Capital Improvements Project FY 2006-2007 combines three components: 1) new pipeline installation required as a condition of approval of the Garthe Ranch development; 2) planned replacement of four high failure rate pipes; and 3) pipe upsizing on Mare Island to complete a HUD grant for fire suppression improvements.

One of the Water Division's requirements for the approval of Garthe Ranch development was for the project's developer to construct a pipeline that will link the Georgia 400 Pressure Zone with the Hunter Ranch 400 Pressure Zone. This involves the construction of an 18-inch pipeline that runs from Columbus Parkway through Tennessee Street, Alpine Court, Locust Drive, Masonic, and then terminates at the tie-in with the Oakwood Avenue water main.

The City and the developer negotiated an agreement which requires the developer to provide \$1.2 Million in funds for the pipeline work and the Water Division to prepare the project plans and specifications and administer the project. The Water Division has completed the plans, specifications and bid documents.

The Water Division also incorporated previously planned water main replacement work in four problematic streets into the project. The pipelines along Hastings, Elliot, Jack London, and Heartwood Court have long been slated for replacement due to their recorded high incidences of failure.

Finally, a 600 foot section of 12-inch water main upsizing to 20-inch PVC along 14th Street in Mare Island was likewise included in the project in order to complete a HUD grant project for the improvement of Mare Island's fire suppression system. The completed plans and specifications package was titled Water Mains Capital Improvements Project FY 2006-2007 and was advertised for bidding.



On February 8, 2007, the City received ten (10) bids for the Water Mains Capital Improvements Project FY 2006-2007 as follows:

Bidder	Bid
SOARES PIPELINE, INC., HAYWARD, CA	\$1,888,000.00
California Trenchless, Inc., Hayward, CA	\$2,077,600.00
West Valley Construction, San Jose, CA	\$2,091,878.50
Argonaut Constructors Inc, Santa Rosa, CA	\$2,197,195.00
D & D Pipeline Inc., San Francisco, CA	\$2,216,000.00
Mountain Cascade Inc., Livermore, CA	\$2,377,100.00
Ranger Pipelines Inc., San Francisco, CA	\$2,411,400.00
North Bay Construction Inc., Petaluma, CA	\$2,546,728.00
Ghilotti Construction Inc., Santa Rosa, CA	\$2,615,830.00
Lister Construction Inc., Vacaville, CA	\$2,760,166.00

Soares Pipeline, Inc. submitted the lowest responsible bid. Staff reviewed the bid documents of Soares Pipeline, Inc. and found them all in order.

Fiscal Impact

The Water Mains Capital Improvements Project FY 2006-2007 is funded in the current fiscal year's Water Enterprise Fund Budget. However, combining balances available in Project WT7019, Project WT7024, and the HUD Grant, there is currently only \$1.67 Million dollars available to fund this project. The project can therefore only be awarded with a reduction in scope thereby reducing the total cost. This will be achieved by deleting Hastings Avenue and Heartwood Court waterline work from the current project scope and by shortening 14th Street Mare Island work by 154 lineal feet. These deletions, through Contract Change Order No 1, will reduce the project scope by \$241,500.00, resulting in a total awarded value of \$1,646,500.00. The project construction timeline is expected to extend past June 30, 2007; staff intends to seek approval to re-authorize these deleted sections with a new additive contract change order as funds become available for water main improvements in the next fiscal year.

RECOMMENDATION

Staff recommends award of a contract to Soares Pipeline, Inc. of Hayward, California at the prices bid of \$1,888,000.00 together with deductive Contract Change Order No. 1 in the amount of \$241,500.00, resulting in a net contract award in the amount of \$1,646,500.00.



ALTERNATIVES CONSIDERED

The use of City Water Maintenance Crews was considered to perform this project. City staffing shortages and efficiencies created by private contractor work prevent the City from actively pursuing this alternative.

ENVIRONMENTAL REVIEW

A Notice of Categorical Exemption (Class 2 Replacement or Reconstruction) has been filed for this project.

PROPOSED ACTION

Adopt the resolution awarding a Contract and authorizing deductive Contract Change Order No. 1 to Soares Pipeline, Inc. of Hayward, California for the Water Mains Capital Improvements Project FY 2006-2007.

DOCUMENTS AVAILABLE FOR REVIEW

- a. A resolution awarding a Contract and authorizing Contract Change Order No. 1 to Soares Pipeline, Inc. of Hayward, California for the Water Mains Capital Improvements Project FY 2006-2007.
- b. Contract
- c. Contract Change Order No. 1
- d. A site location map

CONTACT PERSONS

Jun Malit, Associate Civil Engineer
(707) 648-4309
jun@ci.vallejo.ca.us

Erik Nugteren, Water Superintendent
(707) 648-4482
erik@ci.vallejo.ca.us

MARCH 6, 2007

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RESOLUTION NO. 07- N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, the City received ten (10) bids for the Water Mains Capital Improvements Project FY 2006-2007; and

WHEREAS, Soares Pipeline, Inc. of Hayward, California, submitted the lowest responsible bid in the amount of \$1,888,000.00; and

WHEREAS, the current funding available for this work in this fiscal year is \$1,671,822.77; and

WHEREAS, Staff recommends that the scope of work be reduced by deleting Hastings Avenue and Heartwood Court pipeline work, and by reducing the 20-inch pipeline replacement at 14th Street in Mare Island by 154 lineal feet; and

WHEREAS, this reduction in scope of work will be accomplished through Contract Change Order No. 1 which will reduce the contract award amount by \$241,500.00.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Vallejo, as follows:

That the low responsible bid of Soares Pipeline, Inc. of Hayward, California for the Water Mains Capital Improvements Project FY 2006-2007 in the City of Vallejo, Solano County, in the amount of ONE MILLION EIGHT HUNDRED EIGHTY EIGHT THOUSAND DOLLARS AND NO CENTS (\$1,888,000.00) is hereby accepted and a contract awarded to the said low bidder at the prices bid.

BE IT FURTHER RESOLVED that the Council authorizes the Water Superintendent to sign Contract Change Order No. 1 reducing the project scope of work of the Water Mains Capital Improvements Project FY 2006-2007 by TWO HUNDRED FORTY ONE THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$241,500.00) resulting in a net contract award amount of ONE MILLION SIX HUNDRED FORTY SIX THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$1,646,500.00).

BE IT FURTHER RESOLVED that all other base bids to wit:

<u>Bidder</u>	<u>Amount Bid</u>
California Trenchless, Inc., Hayward, CA	\$2,077,600.00
West Valley Construction, San Jose, CA	\$2,091,878.50
Argonaut Constructors Inc, Santa Rosa, CA	\$2,197,195.00
D & D Pipeline Inc., San Francisco, CA	\$2,216,000.00
Mountain Cascade Inc., Livermore, CA	\$2,377,100.00

Ranger Pipelines Inc., San Francisco, CA	\$2,411,400.00
North Bay Construction Inc., Petaluma, CA	\$2,546,728.00
Ghilotti Construction Inc., Santa Rosa, CA	\$2,615,830.00
Lister Construction Inc., Vacaville, CA	\$2,760,166.00

are hereby deemed rejected upon full execution of the Contract Documents by the successful bidder, with notice of rejection to be given thereupon by the City Clerk.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to sign and the City Clerk to attest the signing of a contract substantially the same as the one attached to the staff report, and with any modifications recommended by the City Attorney or the Risk Manager, between the City of Vallejo and Soares Pipeline, Inc. of Hayward, California, for the above described work.

MARCH 6, 2007

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CITY OF VALLEJO
STATE OF CALIFORNIA

CONTRACT FOR

WATER MAINS CAPITAL IMPROVEMENTS PROJECT FY 2006-2007

Project No. – WT7024

THIS CONTRACT, made and concluded in triplicate this _____ day of _____, 2007, at Vallejo, California, by and between the City of Vallejo, a Municipal Corporation of the State of California, acting by and through its City Council, hereinafter called CITY, and SOARES PIPELINE, INC. hereinafter called CONTRACTOR.

WITNESSETH:

ARTICLE ONE. That for and in consideration of the payments and agreements hereinafter to be made and performed by the City, and under the conditions expressed in the two bonds, bearing even date with these presents and hereunto annexed, one a Faithful Performance Bond and one a Payment (Labor and Materials) Bond, each in the amount of 100% of the amount bid, the Contractor agrees with the City, at his/her own proper cost and expense, to do all the work and furnish all the materials, except such as are mentioned in the Specifications to be furnished by the City, necessary to construct and complete in a good, quality and substantial manner and to the satisfaction of the City of Vallejo, subject project, within a time frame of **Two Hundred Forty (240) Calendar Days** from the date the Notice to Proceed is issued by the City Water Superintendent, in accordance with the specific specifications; Standard Plans and Specifications of the State of California, Business and Transportation Agency, Department of Transportation, dated 1995 edition; Vallejo Sanitation and Flood Control District Standard Specifications, dated July 1988 and City of Vallejo Regulations and Standard Specifications, August 1992 edition, which said documents are specifically referred to and by such reference made a part hereof.

ARTICLE TWO. The City hereby promises and agrees with the Contractor to employ, and does hereby employ the Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to for the prices set forth in the proposal submitted by the Contractor and accepted by the City, which is specially referred to and by such reference made a part hereof, and hereby contracts to pay the same at the time, in the manner and upon the conditions herein set forth; and the parties hereto for themselves, their heirs, executors, administrators, successors and assigns do hereby agree to the full performance of the covenants herein contained.

ARTICLE THREE. The said Contractor agrees to receive and accept the prices set forth in the proposal as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this agreement, also for all loss or damage arising out of the nature of the work aforesaid, or from the action of the elements or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by the City and for all risks of every description, connected with the work; also for all discontinuance of work, and for well and faithfully completing the work, and the whole thereof, in the manner and according to the Plans and Specifications and the requirements of the Engineer under them; to wit:

ARTICLE FOUR. Pursuant to Public Contract Code, Section 22300, the Contractor is hereby permitted to substitute securities of the kind listed below in place of the ten percent (10%) retention withheld in accordance with this section, or any other moneys withheld by the City to insure performance of this contract. At the request and expense of the Contractor, securities equivalent to the amount or amounts withheld may be deposited directly with the City, or with a state or federally chartered bank in the State of California as the escrow agent, who shall pay such moneys to the Contractor upon satisfactory completion of this contract. The Public Works Director is authorized to execute documents necessary for this purpose. The Contractor shall be the beneficial owner of any securities substituted for moneys withheld and shall be entitled to receive any interest thereon. Securities eligible for investment under this provision shall include those listed in Government Code, Section 16430, bank or savings and loan certificates of deposit, interest bearing demand deposit accounts, standby letters of credit, or any other security mutually agreed to by the Contractor and the City. The ten percent (10%) retention or other moneys withheld will not be released to the Contractor until the City has satisfied itself that the substitution of securities has been made in accordance with the provisions of this article.

ARTICLE FIVE. By my signature as Contractor, I certify that I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Worker's 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.

ARTICLE SIX. The complete contract consists of the following documents; all of which by reference are made a part of this contract:

1. Notice to Contractors.
2. Proposal.
3. Contract for:

WATER MAINS CAPITAL IMPROVEMENTS PROJECT FY 2006-2007
Project No. – WT7024

4. Contract bonds, one a Faithful Performance and one a Payment (Labor and Materials) Bond, each in the amount of 100% of the amount bid.
5. Specific Plans and Specifications for:

WATER MAINS CAPITAL IMPROVEMENTS PROJECT FY 2006-2007
Project No. – WT7024
6. Warranty Bond, in the amount of ten percent (10%) of total contract price plus change order(s).
7. Standard Plans and Specifications of the State of California, Business and Transportation Agency, Department of Transportation, July 1999 edition.
8. City of Vallejo Regulations and Standard Specifications for Public Improvements, August 1992 edition.
9. Vallejo Sanitation & Flood Control District Master Bid Document and Project Specific Supplement, dated January 2005.

ARTICLE SEVEN. The current statement of prevailing rate of per diem wages as determined by the Director of the Department of Industrial Relations and the Federal Labor Wage Rates, each on file with the Vallejo City Clerk is hereby specifically referred to and by such reference is hereby made a part of this agreement. The Contractor shall, as a penalty, forfeit to the City, the sum of FIFTY DOLLARS (\$50.00) per day for each calendar day, or portion thereof, for each employee paid less than the prevailing salary or wage for any such work done under and by reason of the terms or conditions of this agreement by the Contractor or any subcontractor under him/her. The Contractor agrees to keep an accurate certified payroll record in accordance with Section 1776 of the Labor Code of the State of California. The Contractor shall, as a penalty, forfeit to the City the sum of TWENTY-FIVE DOLLARS (\$25.00) per day, for each employee for non-compliance with the payroll record keeping requirements as stipulated in Section 1776 of the Labor Code of the State of California and this contract document. It is further expressly agreed by and between the City and the Contractor that should there be a conflict between the terms of this agreement and the bid or proposal of said Contractor, then this agreement shall control and nothing herein contained shall be considered as an acceptance of the said terms of said bid or proposal conflicting herewith.

ARTICLE EIGHT. The Contractor agrees to observe the provisions of Section 4 of Ordinance No. 36 N.C. (2d) , Vallejo Municipal Code, (Section 2.72.040.) obligating every contractor or subcontractor under contract to the City of Vallejo for Public Works or goods and services to refrain from discriminatory acts on the basis of race, religion, creed, color, sex, national origin or ancestry of any employee of, or applicant for employment with, such contractor or subcontractor. Said Section 4 is, by this reference made a part of this contract.

ARTICLE NINE. Contractor warrants and represents that he/she is licensed, and at the time he/she submitted his/her bid for this project to the City was licensed, pursuant to Division 3, Chapter 9 of the California Business and Professions Code, to engage in the business or act in the capacity of a contractor within the State of California for the purposes of this CONTRACT. In the event Contractor is or was not licensed as set forth above, this CONTRACT is void.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands and affixed their seal the day and year first above written.

CITY OF VALLEJO
A Municipal Corporation

By: _____
JOSEPH M. TANNER
City Manager

Approved as to Form:

FREDERICK G. SOLEY
City Attorney

Attest: _____
MARY ELLSWORTH
Acting City Clerk

Approved as to Insurance Requirements:

WILLIAM R. VENSKI
Risk Manager

"CITY SEAL"

Approved as to Content:

GARY A. LEACH
Public Works Director

CONTRACTOR

ADDRESS

By: _____

Title: _____

"CORPORATE SEAL"

CITY OF VALLEJO
PROPOSAL FOR THE

WATER MAINS IMPROVEMENT PROJECT FY 2006-2007
Project No. – WT7024

TO: The Honorable Mayor and City Council
City of Vallejo
Vallejo, California 94590

Name of Bidder: Soares Pipeline, Inc.

18550 Melrose Ave.

Business Address: Hayward, CA 94541

Place of Residence: _____

Any person or entity submitting a bid on this project to engage in the business or act in the capacity of a contractor shall be licensed as a contractor in accordance with the provisions of Division 3, Chapter 9 of the California Business and Professions Code. A bid submitted to the City by a contractor who is not licensed as set forth above shall be considered non-responsive and shall be rejected by the City.

Before awarding the contract for this project, the City must verify that the contractor was properly licensed when the contractor submitted his/her bid on this project. In order for the City to verify the license status of a contractor, the contractor, at the time he submits his/her bid for the project, shall provide in writing to the City his/her contractor's license number, name on the license, classification, and expiration date of the license.

In all contracts where federal funds are involved, no bid submitted to the City shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state.

However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the City that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

Contractor's License No. 625398

Expiration Date: 4-30-08

Contractor's Classification: A

Name on Contractor's License: SOARES PIPELINE, INC

City of Vallejo Business License Number: _____

Contractors' Signature: Manuel Soares Date: 2-8-07
MANUEL SOARES
PRESIDENT

The work to be done consists of:

Installation of approximately 530 lineal feet of 20" PVC; 5,500 lineal feet of 18" DIP; 90 lineal feet of 14" PVC; 425 lineal feet of 12" PVC; 30 lineal feet of 10" PVC; 3,280 lineal feet of 8" PVC; 260 lineal feet of 6" PVC; 40 lineal feet of 4" PVC; 1-20" butterfly valves; 19-18" butterfly valves; 2-14" butterfly valves; 6-12" butterfly valves; 1-10" gate valves; 26-8" gate valves; 5-6" gate valves; 1-4" gate valves; 15-fire hydrant assemblies; 140 service reconnects; 1 zone valve assembly; 1-2" permanent blow off; 1-1" combination air/vacuum relief valves; and 3-2" combination air/vacuum relief valves; including tie-ins, reconnections, miscellaneous fittings, paving, and all other work and facilities necessary or incidental to construct the completed improvement as directed by the plans and specifications and as directed by the Public Works Director.

Bid unit prices may be used by the City for award of additional work that may be added should additional funds become available during the term of the project. Such additional work shall be executed through Contract Change Order(s) mutually agreed upon by the City and the Contractor at the unit prices bid and may be of value in excess of \$1,000,000.00. No additional work, however, is guaranteed.

The undersigned, as bidder, declares that the only persons or parties interested in this proposal as principals are those named herein; that this proposal is made without collusion with any other person, firm, or corporation; that he/she has carefully examined the location of the proposed work, the annexed proposed form of contract, and the plans therein referred to; and he/she proposes and agrees if this proposal is accepted, that he/she will contract with the City of Vallejo, 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/she will take in full payment therefore the following item prices, to wit; (see following page for Bid Sheet)

Bid Sheet for the Water Mains Improvement Project FY 2006-2007 WT7024

NOTE: The quantities following are approximate only and will be used as a basis for the comparison of bids.

An (s) listed after a Bid Schedule description item, if any, indicates items that are considered "specialty items" as defined in Section 8 of the Caltrans Standard Specifications:

Item No.	Qty.	Unit	Description and Unit Price Written in Words	Unit Price	Total Amount
1	1	LS	<p align="center">Mobilization and Demobilization</p> <p><i>ONE HUNDRED THOUSAND DOLLARS</i></p> <p align="center"><i>Lump Sum Price (written in words)</i></p>	\$ —	\$ <u>100,000.00</u>
2	1	LS	<p align="center">Traffic Control</p> <p>Includes installation of traffic markers, delineators, signs, signals, notices, and the use of flag persons to maintain a safe working environment for construction equipment & personnel, pedestrians, vehicular traffic, and the general public.</p> <p><i>TWENTY THOUSAND DOLLARS</i></p> <p align="center"><i>Lump Sum Price (written in words)</i></p>	\$ —	\$ <u>20,000.00</u>
3	1	LS	<p align="center">Potholing</p> <p>Includes all labor and equipment to locate existing underground utilities & facilities for verification of possible vertical and horizontal alignment conflicts. It also includes the cost of all trench shoring, dewatering, backfilling, compaction, and disposal of trench spoils and repaving.</p> <p><i>NINE THOUSAND DOLLARS</i></p> <p align="center"><i>Lump Sum Price (written in words)</i></p>	\$ —	\$ <u>9,000.00</u>
4	600	LF	<p align="center">Furnish and Install 20" C905 DR18 PVC Waterline</p> <p>Includes among others, sawcutting, all excavation, removal and disposal of existing pavement, bedding, backfill and installation of pipe, pipe fittings, connections to new and existing pipe systems, removal of existing pipe, Megalug mechanical restraints, testing, disinfection, backfill installation, subgrade preparation and prime coat, tack coat, aggregate base, asphalt concrete, markingsconcrete curb, gutter, traffic loops, tracer wire installation, and sidewalk repair and/or replacement.</p> <p><i>TWO HUNDRED SIXTY DOLLARS</i></p> <p align="center"><i>Unit Price per Linear Foot (written in words)</i></p>	\$ <u>260.00</u>	\$ <u>156,000.00</u>
5	5,500	LF	<p align="center">Furnish and Install 18" TR Flex Mechanically Restrained Class 250 DIP</p> <p>Includes among others, sawcutting, all excavation, removal and disposal of existing pavement, bedding, backfill and installation of pipe, pipe fittings, connections to new and existing pipe systems, removal of existing pipe, Megalug mechanical restraints, testing, disinfection, backfill installation, subgrade preparation and prime coat, tack coat, aggregate base, asphalt concrete, markingsconcrete curb, gutter, traffic loops, tracer wire installation, and sidewalk repair and/or replacement.</p> <p><i>ONE HUNDRED SIXTY-SIX DOLLARS</i></p> <p align="center"><i>Unit Price per Linear Foot (written in words)</i></p>	\$ <u>166.00</u>	\$ <u>913,000.00</u>
6	90	LF	<p align="center">Furnish and Install 14" C905 DR18 PVC Waterline</p> <p>Includes among others, sawcutting, all excavation, removal and disposal of existing pavement, bedding, backfill and installation of pipe, pipe fittings, connections to new and existing pipe systems, removal of existing pipe, Megalug mechanical restraints, testing, disinfection, backfill installation, subgrade preparation and prime coat, tack coat, aggregate base, asphalt concrete, markingsconcrete curb, gutter, traffic loops, tracer wire installation, and sidewalk repair and/or replacement.</p> <p><i>THREE HUNDRED DOLLARS</i></p> <p align="center"><i>Unit Price per Linear Foot (written in words)</i></p>	\$ <u>300.00</u>	\$ <u>27,000.00</u>

Bid Sheet for the Water Mains Improvement Project FY 2006-2007 WT7024

Item No.	Qty.	Unit	Description and Unit Price Written in Words	Unit Price	Total Amount
7	425	LF	<p align="center">Furnish and Install 12" C900 Class 200 PVC Waterline</p> <p>Includes among others, sawcutting, all excavation, removal and disposal of existing pavement, bedding, backfill and installation of pipe, pipe fittings, connections to new and existing pipe systems, removal of existing pipe, Megalug mechanical restraints, testing, disinfection, backfill installation, subgrade preparation and prime coat, tack coat, aggregate base, asphalt concrete, markingsconcrete curb, gutter, traffic loops, tracer wire installation, and sidewalk repair and/or replacement.</p> <p align="center"><i>ONE HUNDRED DOLLARS</i></p> <p align="center"><i>Unit Price per Linear Foot (written in words)</i></p>	\$ <u>100.00</u>	\$ <u>42,500.00</u>
8	10	LF	<p align="center">Furnish and Install 10" C900 Class 200 PVC Waterline</p> <p>Includes among others, sawcutting, all excavation, removal and disposal of existing pavement, bedding, backfill and installation of pipe, pipe fittings, connections to new and existing pipe systems, removal of existing pipe, Megalug mechanical restraints, testing, disinfection, backfill installation, subgrade preparation and prime coat, tack coat, aggregate base, asphalt concrete, markingsconcrete curb, gutter, traffic loops, tracer wire installation, and sidewalk repair and/or replacement.</p> <p align="center"><i>TWO HUNDRED TWENTY DOLLARS</i></p> <p align="center"><i>Unit Price per Linear Foot (written in words)</i></p>	\$ <u>220.00</u>	\$ <u>2,200.00</u>
9	3,280	LF	<p align="center">Furnish and Install 8" C900 Class 200 PVC Waterline</p> <p>Includes among others, sawcutting, all excavation, removal and disposal of existing pavement, bedding, backfill and installation of pipe, pipe fittings, connections to new and existing pipe systems, removal of existing pipe, Megalug mechanical restraints, testing, disinfection, backfill installation, subgrade preparation and prime coat, tack coat, aggregate base, asphalt concrete, markingsconcrete curb, gutter, traffic loops, tracer wire installation, and sidewalk repair and/or replacement.</p> <p align="center"><i>NINETY DOLLARS</i></p> <p align="center"><i>Unit Price per Linear Foot (written in words)</i></p>	\$ <u>90.00</u>	\$ <u>295,200.00</u>
10	260	LF	<p align="center">Furnish and Install 6" C900 Class 200 PVC Waterline</p> <p>Includes among others, sawcutting, all excavation, removal and disposal of existing pavement, bedding, backfill and installation of pipe, pipe fittings, connections to new and existing pipe systems, removal of existing pipe, Megalug mechanical restraints, testing, disinfection, backfill installation, subgrade preparation and prime coat, tack coat, aggregate base, asphalt concrete, markingsconcrete curb, gutter, traffic loops, tracer wire installation, and sidewalk repair and/or replacement.</p> <p align="center"><i>ONE HUNDRED THIRTY DOLLARS</i></p> <p align="center"><i>Unit Price per Linear Foot (written in words)</i></p>	\$ <u>130.00</u>	\$ <u>33,800.00</u>
11	40	LF	<p align="center">Furnish and Install 4" C900 Class 200 PVC Waterline</p> <p>Includes among others, sawcutting, all excavation, removal and disposal of existing pavement, bedding, backfill and installation of pipe, pipe fittings, connections to new and existing pipe systems, removal of existing pipe, Megalug mechanical restraints, testing, disinfection, backfill installation, subgrade preparation and prime coat, tack coat, aggregate base, asphalt concrete, markingsconcrete curb, gutter, traffic loops, tracer wire installation, and sidewalk repair and/or replacement.</p> <p align="center"><i>ONE HUNDRED TEN DOLLARS</i></p> <p align="center"><i>Unit Price per Linear Foot (written in words)</i></p>	\$ <u>110.00</u>	\$ <u>4,400.00</u>

Bid Sheet for the Water Mains Improvement Project FY 2006-2007 WT7024

Item No.	Qty.	Unit	Description and Unit Price Written in Words	Unit Price	Total Amount
12	1		Furnish and Install 20" Butterfly Valve		
			Includes among others, butterfly valve and hardware installation, valve box, valve cover, valve key extension, excavation, tracer wire installation, backfilling, and paving.	\$ <u>4,000.00</u>	\$ <u>4,000.00</u>
			<i>FOUR THOUSAND DOLLARS</i>		
			<i>Unit Price per Each (written in words)</i>		
13	19	EA	Furnish and Install 18" Butterfly Valve		
			Includes among others, butterfly valve and hardware installation, valve box, valve cover, valve key extension, excavation, tracer wire installation, backfilling, and paving.	\$ <u>3,000.00</u>	\$ <u>57,000.00</u>
			<i>THREE THOUSAND DOLLARS</i>		
			<i>Unit Price per Each (written in words)</i>		
14	2	EA	Furnish and Install 14" Butterfly Valve		
			Includes among others, butterfly valve and hardware installation, valve box, valve cover, valve key extension, excavation, tracer wire installation, backfilling, and paving.	\$ <u>4,000.00</u>	\$ <u>8,000.00</u>
			<i>FOUR THOUSAND DOLLARS</i>		
			<i>Unit Price per Each (written in words)</i>		
15	6	EA	Furnish and Install 12" Butterfly Valve		
			Includes among others, butterfly valve and hardware installation, valve box, valve cover, valve key extension, excavation, tracer wire installation, backfilling, and paving.	\$ <u>1,500.00</u>	\$ <u>9,000.00</u>
			<i>FIFTEEN HUNDRED DOLLARS</i>		
			<i>Unit Price per Each (written in words)</i>		
16	1	EA	Furnish and Install 10" Gate Valve		
			Includes among others, butterfly valve and hardware installation, valve box, valve cover, valve key extension, excavation, tracer wire installation, backfilling, and paving.	\$ <u>1,700.00</u>	\$ <u>1,700.00</u>
			<i>SEVENTEEN HUNDRED DOLLARS</i>		
			<i>Unit Price per Each (written in words)</i>		
17	26	EA	Furnish and Install 8" Gate Valve		
			Includes among others, butterfly valve and hardware installation, valve box, valve cover, valve key extension, excavation, tracer wire installation, backfilling, and paving.	\$ <u>1,200.00</u>	\$ <u>31,200.00</u>
			<i>TWELVE HUNDRED DOLLARS</i>		
			<i>Unit Price per Each (written in words)</i>		
18	5	EA	Furnish and Install 6" Gate Valve		
			Includes among others, butterfly valve and hardware installation, valve box, valve cover, valve key extension, excavation, tracer wire installation, backfilling, and paving.	\$ <u>900.00</u>	\$ <u>4,500.00</u>
			<i>NINE HUNDRED DOLLARS</i>		
			<i>Unit Price per Each (written in words)</i>		

Bid Sheet for the Water Mains Improvement Project FY 2006-2007 WT7024

Item No.	Qty.	Unit	Description and Unit Price Written in Words	Unit Price	Total Amount
19	1	EA	<p align="center">Furnish and Install 4" Gate Valve</p> <p>Includes among others, butterfly valve and hardware installation, valve box, valve cover, valve key extension, excavation, tracer wire installation, backfilling, and paving.</p> <p align="center"><i>EIGHT HUNDRED DOLLARS</i></p> <p align="center"><i>Unit Price per Each (written in words)</i></p>	\$ <u>800.00</u>	\$ <u>800.00</u>
20	15	EA	<p align="center">Furnish and Install Fire Hydrant Assembly</p> <p>Includes among others, sawcutting, all excavation, disposal of existing pavement, installation of tee, 6" gate valve, hydrant run, bury, fire hydrant installation, valve risers, valve boxes, valve covers, backfilling, tracer wire installation, compaction, and paving per City Dwg. No. 4-05. It includes removal of old hydrant assembly, salvage of old fire hydrant, capping of abandoned pipe.</p> <p align="center"><i>FIVE THOUSAND DOLLARS</i></p> <p align="center"><i>Unit Price per Each (written in words)</i></p>	\$ <u>5,000.00</u>	\$ <u>75,000.00</u>
21	2	EA	<p align="center">Furnish & Install new 3/4" and 1" Water Services</p> <p>Includes among others, all excavation, removal & disposal of existing pavement, installation of service saddle and corporation stop, type K copper service, tie-in/connection to existing service, backfilling, compaction, and repaving in accordance with City Standards.</p> <p align="center"><i>FIFTEEN HUNDRED DOLLARS</i></p> <p align="center"><i>Unit Price per Each (written in words)</i></p>	\$ <u>1,500.00</u>	\$ <u>3,000.00</u>
22	133	EA	<p align="center">Reconnect existing 3/4" and 1" Water Services</p> <p>Includes among others, all excavation, removal & disposal of existing pavement, installation of service saddle and corporation stop, type K copper service, tie-in/connection to existing service, backfilling, compaction, and repaving in accordance with City Standards.</p> <p align="center"><i>FOUR HUNDRED DOLLARS</i></p> <p align="center"><i>Unit Price per Each (written in words)</i></p>	\$ <u>400.00</u>	\$ <u>53,200.00</u>
23	7		<p align="center">Reconnect existing 2" Water Services</p> <p>Includes among others, all excavation, removal & disposal of existing pavement, installation of service saddle and corporation stop, type K copper service, tie-in/connection to existing service, backfilling, compaction, and repaving in accordance with City Standards.</p> <p align="center"><i>FOUR HUNDRED FIFTY DOLLARS</i></p> <p align="center"><i>Unit Price per Each (written in words)</i></p>	\$ <u>450.00</u>	\$ <u>3,150.00</u>
24	1	EA	<p align="center">Furnish & Install 8" Zone Valve Assembly per City Standard Dwg. No. 4-12</p> <p>Includes among others, all excavation, removal and disposal of existing pavement, installation of gate valves and blow off, risers, valve boxes and valve covers, tracer wire installation of miscellaneous piping, brass ball valves, backfilling, compaction, and repaving, in accordance with Standards.</p> <p align="center"><i>FIFTY-ONE HUNDRED DOLLARS</i></p> <p align="center"><i>Unit Price per Each (written in words)</i></p>	\$ <u>5,100.00</u>	\$ <u>5,100.00</u>

Bid Sheet for the Water Mains Improvement Project FY 2006-2007 WT7024

Item No.	Qty.	Unit	Description and Unit Price Written in Words	Unit Price	Total Amount
25	1	EA	<p align="center">Furnish & Install Extra 2" Permanent Blow Off</p> <p>Includes sawcutting, removal and disposal of old paving, installation of 2" blow-off assembly per City Standard Dwg. 4-08, backfilling, compaction, repaving, and relevant miscellaneous work.</p> <p align="center"><i>SEVEN HUNDRED FIFTY DOLLARS</i></p> <p align="center"><i>Unit Price per Each (written in words)</i></p>	\$ <u>750.00</u>	\$ <u>750.00</u>
26	3	EA	<p align="center">Furnish & Install 2" CAV</p> <p>Includes sawcutting, removal and disposal of old paving, installation of 2" Combination Air/Vacuum Release Valve assembly per City Standards, backfilling, compaction, repaving, and all other relevant miscellaneous work.</p> <p align="center"><i>FIVE THOUSAND DOLLARS</i></p> <p align="center"><i>Unit Price per Each (written in words)</i></p>	\$ <u>5,000.00</u>	\$ <u>15,000.00</u>
27	1	EA	<p align="center">Furnish & Install 1" CAV</p> <p>Includes sawcutting, removal and disposal of old paving, installation of 2" Combination Air/Vacuum Release Valve assembly per City Standards, backfilling, compaction, repaving, and all other relevant miscellaneous work.</p> <p align="center"><i>FORTY-FIVE HUNDRED DOLLARS</i></p> <p align="center"><i>Unit Price per Each (written in words)</i></p>	\$ <u>4,500.00</u>	\$ <u>4,500.00</u>
28	3,000	SF	<p align="center">Furnish & Install 3" Thick Extra Asphalt Concrete Paving</p> <p>Includes sawcutting, removal and disposal of old paving, tack coat, prime coat, and installation of 3" thick asphalt concrete paving in accordance with City Standards.</p> <p align="center"><i>THREE DOLLARS</i></p> <p align="center"><i>Unit Price per Square Foot (written in words)</i></p>	\$ <u>3.00</u>	\$ <u>9,000.00</u>
<p>TOTAL \$ <u>1,888,000.00</u></p>					
<p align="center"><i>ONE MILLION EIGHT HUNDRED EIGHTY-EIGHT THOUSAND</i></p> <p align="center">Base Bid Total Dollars (Written in Words) DOLLARS</p>					

NOTES:

- 1) The estimated quantities are for bidding purposes only.
- 2) Payment for linear foot items will be based on actual measurements after installation.
- 3) Bid unit prices may be used by the City for award of additional work that may be added should additional funds become available during the term of the project. Such additional work shall be executed through Contract Change Order(s) mutually agreed upon by the City and the Contractor at the unit prices bid and may be of value in excess of \$1,000,000.00. No additional work, however, is guaranteed.

The contract shall be awarded to the contractor submitting the lowest responsible bid.

In case of discrepancy between the written prices and the numerical prices, the written prices shall prevail.

In case of discrepancy between the unit prices and the total amount, the unit prices shall prevail, except as provided in (a) or (b), as follows:

- (a) If the amount set forth as a Unit Price for a said item is not readable or otherwise not clear, or is omitted, or is the same amount as the entry in the Total Amount column, then the amount set forth in the Total Amount column for the line item shall prevail and shall be divided by the Estimated Quantity for the said item and the price thus obtained shall be the Unit Price amount.
- (b) (Decimal Errors) If the total of the entered Unit Price multiplied by the given Estimated Quantity is exactly off by a decimal factor (i.e. ten, one hundred, etc. or, one-tenth, one-hundredth, etc.) from the entered Total Amount, the discrepancy will be resolved by using the entered Unit Price or entered Total Amount, whichever most closely approximates (by percentage) the Unit Price or Total Amount in the City -Engineer's Cost Estimate.

The City of Vallejo desires wherever possible to hire qualified City of Vallejo residents to work on City projects. Contractors, subcontractors, consultants, and developers will, wherever possible, solicit proposals from qualified local firms and will, wherever possible, employ qualified local residents to work on City projects.

If this proposal shall be accepted and the undersigned shall fail to contract as aforesaid and to give the two bonds in the sums to be determined as aforesaid, with surety satisfactory to the City Council, within eight days, not including Sundays and legal holidays, after the bidder has received notice from the City Water Superintendent and the contract has been awarded, the City Council may, at its option, determine that the bidder has abandoned the contract, and thereupon this proposal and the acceptance thereof shall be null and void, and the forfeiture of such security accompanying this proposal shall operate and the same become and be the property of the City of Vallejo.

CITY OF VALLEJO

PUBLIC WORKS DEPARTMENT
WATER DIVISION

CONTRACT CHANGE ORDER NO. 1

DATE: February 14, 2007

TO: Soares Pipeline Inc.

PROJECT: **WATER MAINS CAPITAL
IMPROVEMENTS PROJECT FY2006-2007**
PROJECT No. **WT7024**

FROM: CITY OF VALLEJO

REFERENCE: Contract Plans, Sheet No. _____ or other Plans attached

IT IS REQUESTED THAT YOU

1. Delete 8" waterline replacement work along Hastings Avenue including all its associated relevant water line improvements shown in the plans. (\$132,200.00)
2. Delete 8" waterline replacement work along Hastings Avenue including all its associated relevant water line improvements shown in the plans. (\$ 69,300.00)
3. Delete 154 feet of 20" PVC waterline at 14th Street, Mare Island (\$ 40,000.00)

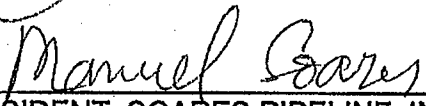
ADJUSTMENT OF CONTRACT TIME OF COMPLETION: **Less 30 Calendar Days**

REDUCTION IN CONTRACT PRICE: (\$241,500.00)
FORCE ACCOUNT

NEW ADJUSTED CONTRACT PRICE: **\$1,646,500.00**

RECOMMENDED: 
PROJECT ENGINEER

2/15/07
DATE

ACCEPTED BY: 
PRESIDENT, SOARES PIPELINE, INC.

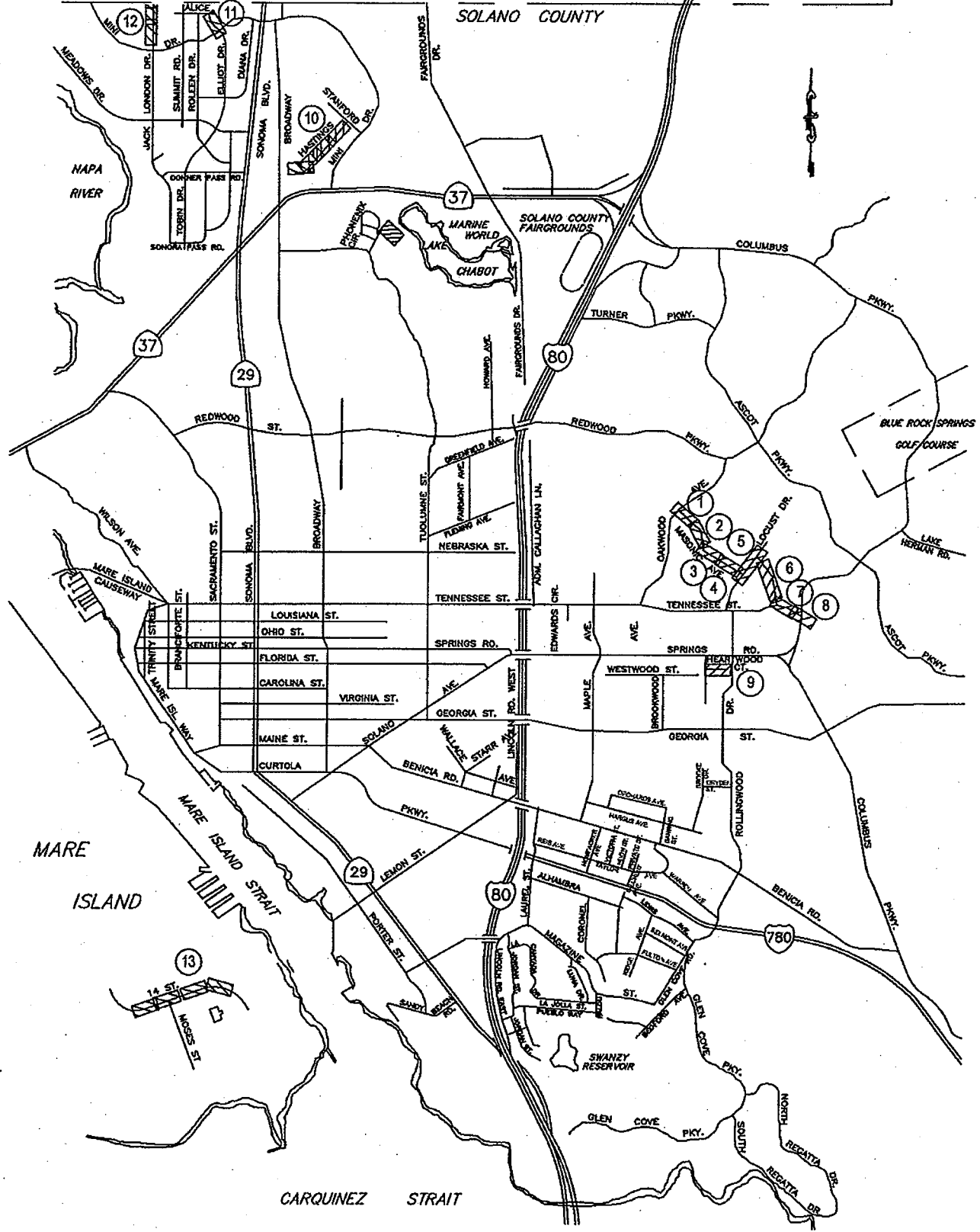
Feb. 16-07
DATE

APPROVED BY: _____
WATER SUPERINTENDENT

DATE

SITE LOCATION MAP

NAPA COUNTY
SOLANO COUNTY



WATER MAINS CAPITAL IMPROVEMENTS
PROJECT FY 2006-2007




CONSENT E

Agenda Item No.

COUNCIL COMMUNICATION

Date: March 6, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: APPROVAL OF A RESOLUTION AWARDING A CONTRACT TO WEIR FLOWAY INC. OF FRESNO, CALIFORNIA TO FURNISH TWO 250 HORSEPOWER VERTICAL TURBINE PUMPS AND MOTORS FOR THE TRANS-VALLEJO EMERGENCY BACK-UP PUMP STATION

BACKGROUND

The City's Trans-Vallejo (TV) Zone pump station, pipelines, and reservoirs serve as the backbone of Vallejo's elevated pressure zones. It is the source of water that is pumped to the various reservoirs in the higher elevations in the City's water system. It currently is served by four (4) natural gas engine driven pumps that are situated in the Fleming Hill Pump House.

The City is soon slated to bid and undertake the Grid Pump Station Bypass and Retrofit Project. Since the Grid Pumps and TV Pumps are both housed in the same building, the dust and debris that will be generated by the scheduled demolition and retrofit work in the Fleming Hill Pump House could damage the natural gas engines and their operational controls. It is therefore necessary to shut down and protectively wrap all these facilities in the Fleming Hill Pump House during the course of the project.

In order to continue to feed the City's water system, it is vital that an emergency back-up TV pump station be installed outside of the influence of the Grid Pump Station Bypass and Retrofit Project before the project commences. This new pump station can optimally be situated above the clearwell at the site of an unused, inoperative pump station.

When completed, the Trans-Vallejo Emergency Back-up Pump Station will provide uninterrupted pumping into the both the TV and Grid Zones while retrofit work is undergoing in the Pump House. It shall likewise serve as a reliable and highly efficient electrical back-up TV pumping facility against unforeseen disruptions in the supply of natural gas or breakdown of the natural gas engines.

On February 21, 2007, the City received one (1) bid for the two 250 horsepower vertical turbine pumps and motors for the Trans-Vallejo Emergency Back-up Pump Station.



Weir Floway Inc. of Fresno, California, submitted the lone bid for \$166,167.12. Staff reviewed the bid documents of Weir Floway Inc. and found them all in order and the price to be within the estimated cost range.

Fiscal Impact

The Trans-Vallejo Emergency Back-up Pump Station Project is funded in the current fiscal year's Water Enterprise Fund Budget out of Project WT7025 (404-2715-431.43-20).

RECOMMENDATION

Staff recommends award of a contract to Weir Floway Inc. of Fresno, California to furnish two (2) vertical turbine pumps and motors at the prices bid.

ALTERNATIVES CONSIDERED

There are no alternatives which would allow completion of the anticipated Grid Zone Pump Station Project to proceed.

ENVIRONMENTAL REVIEW

A Notice of Categorical Exemption (Class 2 Replacement or Reconstruction) will be filed for this project.

PROPOSED ACTION

Adopt the resolution awarding a contract to Weir Floway Inc. of Fresno, California to furnish two (2) 250 horsepower vertical turbine pumps and motors for the Trans-Vallejo Emergency Back-up Pump Station.

DOCUMENTS AVAILABLE FOR REVIEW

- a. A resolution awarding a contract to Weir Floway Inc.
- b. Contract
- c. A site location map



CONTACT PERSONS

Jun Malit, Associate Civil Engineer
(707) 648-4309
jun@ci.vallejo.ca.us

Erik Nugteren, Water Superintendent
(707) 648-4482
erik@ci.vallejo.ca.us

MARCH 6, 2007

J:\PUBLIC\AI\WT\Contract to Furnish Vertical Turbine Pumps & Motors for Emergency
Back-up Pump Station.doc

RESOLUTION NO. 07- N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, the City received one (1) bid to furnish two 250 horsepower vertical turbine pumps and motors for the Trans-Vallejo Emergency Back-up Pump Station Project; and

WHEREAS, Weir Floway Inc. of Fresno, California, submitted the lowest responsible bid in the amount of \$ 166,167.12; and

WHEREAS, Staff has reviewed the bid documents and found them in order.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Vallejo, as follows:

That the low responsible bid of Weir Floway Inc. of Fresno, California for two 250 HP vertical turbine pumps and motors for the Trans-Vallejo Emergency Back-up Pump Station in the City of Vallejo, Solano County, in the amount of ONE HUNDRED SIXTY SIX THOUSAND ONE HUNDRED SIXTY SEVEN DOLLARS AND TWELVE CENTS (\$166,167.12) is hereby accepted and a contract awarded to said low bidder at the prices bid.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to sign and the City Clerk to attest the signing of a contract substantially the same as the one attached to the staff report, and with any modifications recommended by the City Attorney or the Risk Manager, between the City of Vallejo and Weir Floway Inc. of Fresno, California, for the above described work.

MARCH 6, 2007

J:\PUBLIC\AI\WT\Contract to Furnish Vertical Turbine Pumps & Motors for Emergency Back-up Pump Station.doc

CITY OF VALLEJO

CONTRACT

THIS CONTRACT, made and entered into this ____ day of _____, by and between the CITY OF VALLEJO, a Municipal Corporation, hereinafter called **VALLEJO**, and WEIR FLOWAY INC. of Fresno, California, hereinafter called **CONTRACTOR**.

WITNESSETH:

1. The CONTRACTOR hereby agrees to furnish to VALLEJO and deliver to Water Division at Fleming Hill Water Treatment Plant, **Two (2) 250 HP Vertical Turbine Pumps with Electric 480 VAC Vertical Induction Motors** as required by the Bid Documents for the Trans-Vallejo Emergency Back-up Pump Station Project.
2. The CONTRACTOR hereby agrees that all material furnished shall be in accordance with the terms and conditions of each and every provision set forth in the Bid Documents for the Trans-Vallejo Emergency Back-up Pump Station, the same being attached hereto and being made a part hereof.
3. The CONTRACTOR further agrees that the material furnished and delivered shall be new and in conformity with the Specifications attached hereto and incorporated as part of this agreement.
4. The CONTRACTOR further agrees that all material to be furnished and delivered shall be strictly in accordance with said Product Specifications, except that the City reserves the right to accept material other than that called forth in said specifications provided that the City's Public Works Director approves in writing such other material as equal or better prior to the CONTRACTOR furnishing or delivering the same.
5. The CONTRACTOR shall keep himself fully informed of all Federal, State, County or Municipal laws, statutes, ordinances, codes and regulations which may in any manner apply to or otherwise have affect on the material to be furnished and shall at all times abide by all such rulings, orders and decrees of those agencies, bodies or tribunals having any jurisdiction or authority over the same.
6. VALLEJO hereby agrees to pay to the CONTRACTOR in lawful money of the United States of America, at the time and in accordance with the provisions set forth in said Agreement the following prices:

ONE HUNDRED SIXTY SIX THOUSAND ONE HUNDRED SIXTY SEVEN DOLLARS AND TWELVE CENTS (\$166,167.12)

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their seals the day and year first above written.

CITY OF VALLEJO
A Municipal Corporation

By: _____
JOSEPH M. TANNER
City Manager

Attest: _____
MARY ELLSWORTH
Acting City Clerk

Approved as to Content:

"City Seal"

GARY A. LEACH
Public Works Director

Approved as to Form:

FREDERICK G. SOLEY
City Attorney

CONTRACTOR

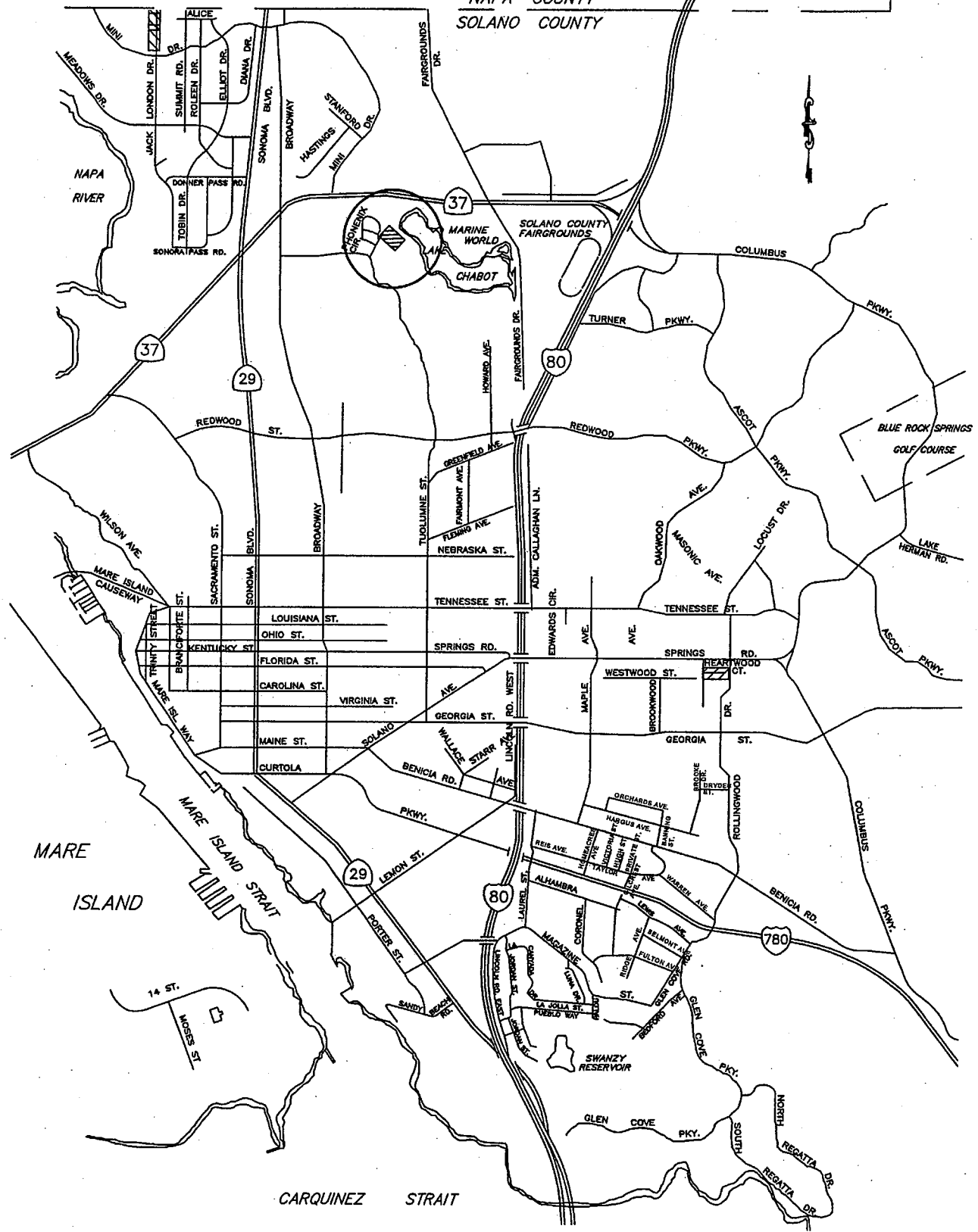
By _____
Signature

Title

Date

SITE LOCATION MAP

NAPA COUNTY
SOLANO COUNTY



FLEMING HILL SITE LOCATION MAP



CONSENT F

Agenda Item No.

COUNCIL COMMUNICATION

Date: March 6, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Robert V. Stout, Finance Director

RS

SUBJECT: APPROVAL OF A RESOLUTION ACCEPTING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2006.

BACKGROUND & DISCUSSION

Each fiscal year, the City is required by Charter Section 721 to have an independent audit of its financial records. For Fiscal Year 2005-2006 the City Council engaged Maze & Associates, an independent certified public accounting firm, to perform the annual audit of the City of Vallejo and its component units. The results of the audit performed are formally published in the Comprehensive Annual Financial Report (CAFR). Maze & Associates has issued an unqualified opinion on the CAFR. An unqualified opinion means that in the opinion of the auditors, the basic financial statements present fairly in all material respects the financial position of the City as of June 30, 2006.

The CAFR is a comprehensive document reflecting the financial position of the City and its related component units. The 2005-2006 CAFR has been prepared in conformance with Generally Accepted Accounting Principles (GAAP) and with the additional requirements of presentation as set by the Government Finance Officers Association (GFOA). The CAFR Transmittal Letter and Management's Discussion and Analysis provide an overview and analysis of the financial activities of the year ended June 30, 2006.

There is no budget or fiscal impact resulting from this staff report, since this is an informational report to the City Council.

RECOMMENDATION

Accept the Comprehensive Annual Financial Report, as submitted. The City Council has a Charter responsibility to conduct an annual audit of the City. Accepting the Comprehensive Annual Financial Report as submitted facilitates the Council in completing its Charter responsibilities.



ENVIRONMENTAL REVIEW

This action is not a project as defined by the California Environmental Quality Act and is not subject to CEQA review.

PROPOSED ACTION

Adopt the Resolution accepting the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2006.

DOCUMENTS ATTACHED

1. Resolution Accepting the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2006.

Copies of the following documents have been placed on file in the office of the City Clerk and are available for inspection:

- Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2006.

PREPARED BY:

Jon R. Oiler, Auditor Controller

(707) 648-4593

CONTACT:

Robert V. Stout, Finance Director

(707) 648-4592

RESOLUTION NO. _____

A RESOLUTION ACCEPTING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2006

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, the City is required by Charter Section 721 to have an annual independent audit of its financial records completed; and

WHEREAS, an independent audit was conducted by Maze and Associates, and has confirmed that the City of Vallejo ended Fiscal 2005-2006 with a General Fund Undesignated, Unreserved Balance of \$7,751,823; and

WHEREAS, the City Council has considered the report and recommendations of the City Manager on the proposed report and has determined that the report is both fair and appropriate; now, therefore:

IT IS HEREBY RESOLVED BY THE COUNCIL OF THE CITY OF VALLEJO, CALIFORNIA, AS FOLLOWS:

Section 1. The Vallejo City Council accepts the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2006, as submitted.



CONSENT G

Agenda Item No.

COUNCIL COMMUNICATION

Date: March 6, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Mary Ellsworth, Acting City Clerk

SUBJECT: Amendment to 2007 City Council Appointment List

SUMMARY

On December 19, 2006, the City Council adopted a resolution confirming the list of City Council appointment to various Boards, Commission, and Committees.

Due to the time schedule for certain Agencies, Councilmember Pearsall and Councilmember Gomes have requested that the list be amended to allow Councilmember Gomes to attend meetings in the evening to better accommodate her work schedule.

Councilmember Pearsall will become the liaison to the Vallejo Convention and Visitors Bureau; and Councilmember Gomes will become the liaison to the Beautification Advisory Commission.

PROPOSED ACTION: Adopt the resolution amending the 2007 City Council Appointment List.

RESOLUTION NO. 07- N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, the list of Mayor and City Council appointments to boards, commissions and committees for calendar year 2007 was adopted on December 19, 2007; and

WHEREAS, the following amendments need to be made: Councilmember Pearsall will serve as liaison to the Vallejo Convention and Visitors Bureau; and Councilmember Gomes will serve as liaison to the Beautification Advisory Commission.

NOW THEREFORE BE IT RESOLVED that the amendments to the Mayor and City Council appointments to boards, commissions and committees for calendar year 2007 as noted above are hereby approved.

ADOPTED by the Council of the City of Vallejo at a regular meeting held February 27, 2007 by the following vote:

OFFICIAL APPOINTMENTS - 2007

COUNCIL MEMBER	ORGANIZATION	NUMBER OF COUNCIL MEMBERS	MEETING INFORMATION
MAYOR (ALTERNATE TO STEVE MESSINA)	ASSOCIATION OF BAY AREA GOVERNMENTS (ABAG) EXECUTIVE BOARD	ONE + ALTERNATE	3 RD THURSDAY - 7:00 pm EVERY OTHER MONTH 101 EIGHT STREET METRO CENTER - OAKLAND
BARTEE CLOUTIER (ALTERNATE)	ASSOCIATION OF BAY AREA GOVERNMENTS	ONE + ALTERNATE	MEETINGS TWICE A YEAR SPRING - FALL
MAYOR CLOUTIER (ALTERNATE)	SOLANO COUNTY TRANSPORTATION AUTHORITY GOVERNING BOARD (STA)	ONE + ALTERNATE	2ND WEDNESDAY - 6:00 PM TRANSPORTATION OFFICE 1 HARBOR CENTER SUITE 130 SUISUN
MAYOR PEARSALL (ALTERNATE)	SOLANO TRANSPORTATION IMPROVEMENT AUTHORITY (STIA)	MAYOR + ALTERNATE	MEETS AFTER BOARD MEETING
MAYOR PEARSALL (ALTERNATE)	SOLANO COUNTY WATER AGENCY BOARD	MAYOR + ALTERNATE	2 ND THURSDAY - 7:00 PM SOLANO IRRIGATION DISTRICT OFFICE 509 ELMIRA ROAD - VACAVILLE 95687 ATTN: DIANE ADIS
MAYOR PEARSALL (ALTERNATE)	SOLANO WATER AUTHORITY BOARD	MAYOR + ALTERNATE	MEETS AS NEEDED SOLANO IRRIGATION DISTRICT OFFICE 508 ELMIRA ROAD - VACAVILLE, 95687 ATTN: KIM JOHNSON

CLOUTIER	SOLANO ECONOMIC DEVELOPMENT CORPORATION (SEDCORP) EXECUTIVE FORUM AND BOARD MEETINGS	ONE	4 TH THURS. - 9:00 AM - BI-MONTHLY
DAVIS PEARSALL (ALTERNATE)	VALLEJO-NAPA SOLID WASTE MANAGEMENT	ONE + ALTERNATE	MEETINGS AT JELLY BELLY 1 JELLY BELLY LANE FAIRFIELD, CA 1 ST THURSDAY - 8:30 A.M. NAPA COUNTY ENVIRONMENTAL SERVICE 1195 THIRD STREET - RM. 101 NAPA, CA 94558
CLOUTIER	ARCHITECTURAL HERITAGE AND LANDMARKS COMMISSION	ONE	3 RD THURSDAY - 7:00 P.M. CITY COUNCIL CHAMBERS
GOMES	BEAUTIFICATION ADVISORY COMMISSION	ONE	LAST MONDAY MONTHLY - 7:00P.M. CITY COUNCIL CHAMBERS
SUNGA	CARQUINEZ STRAIT COORDINATING COUNCIL PRESERVATION TRUST BOARD OF DIRECTORS	ONE	MEETINGS ON CALL
BARTHE	CENTRAL CORE RESTORATION CORP. (CCRC)	ONE	2 ND THURSDAY - 8:30 A.M. 401 GEORGIA ST. SUITE 220

BARTEE	CIVIL SERVICE COMMISSION	ONE	2 ND MONDAY - 5:15 P.M. CITY COUNCIL CHAMBERS
PEARSALL	CODE ENFORCEMENT APPEALS BOARD	ONE	2 ND MONDAY - 7:00 P.M. PLANNING DEPARTMENT CONFERENCE ROOM
BARTEE	COMMISSION ON AGING	ONE	4 TH MONDAY - 10:00 A.M. BI-MONTHLY CITY COUNCIL CHAMBERS
SUNGA	COMMUNITY ARTS FOUNDATION	ONE	4 TH WEDNESDAY - 7:00 P.M. FETTERLY PLAYHOUSE
CLOUTIER	COMMUNITY DEVELOPMENT COMMISSION	ONE	1 ST THURSDAY - 7:30 P.M. QUARTERLY CITY COUNCIL CHAMBERS
MAYOR CLOUTIER DAVIS	AD HOC COUNCIL COMMITTEE ON STREET NAMING	THREE	MEETINGS ON CALL
GOMES	COMMISSION ON CULTURE AND THE ARTS	ONE	2 ND MONDAY - 7:00 P.M. BI-MONTHLY FETTERLY PLAYHOUSE

BARTEE	ECONOMIC DEVELOPMENT COMMISSION	ONE	2 ND WEDNESDAY - 5:30 P.M. BI-MONTHLY CITY MANAGER'S CONFERENCE ROOM
PEARSALL	FIGHTING BACK PARTNERSHIP	ONE	1 ST THURSDAY - 6:00 P.M. 3 RD FLOOR - JFK LIBRARY
CLOUTIER	HOUSING AND REDEVELOPMENT COMMISSION	ONE	2 ND WEDNESDAY - 7:30 P.M. CITY COUNCIL CHAMBERS
GOMES	HUMAN RELATIONS COMMISSION	ONE	4 TH WEDNESDAY - 7:30 P.M. CITY COUNCIL CHAMBERS
MAYOR SUNGA DAVIS	INTER-AGENCY COMMITTEE	MAYOR + TWO	2 ND MON. QUARTERLY CITY MANAGERS'S OFFICE
MAYOR	LEAGUE OF CALIFORNIA CITIES NORTHERN DIVISION	MAYOR	QUARTERLY MEETINGS PLACE AND TIME TO BE ANNOUNCED
GOMES	LIBRARY BOARD	ONE	1 ST THURSDAY BI-MONTHLY 6:30 P.M. - JFK LIBRARY MC CUNE ROOM

BARTEE	MARINA ADVISORY COMMITTEE	ONE	1 ST THURS. - 5:00 P.M. JFK LIBRARY JOSEPH ROOM
DAVIS SUNGA PEARSALL	MARINA COUNCIL COMMITTEE	THREE	MEETINGS ON CALL
PEARSALL BARTEE CLOUTIER	MARINE WORLD OVERSIGHT COMMITTEE	THREE	MEETINGS ON CALL
BARTEE SUNGA (ALTERNATE)	MOBILE HOME RENT REVIEW BOARD	ONE + ALTERNATE	MEETINGS ON CALL
DAVIS	PLANNING COMMISSION	ONE	1 ST AND 3 RD MONDAY - 7:00 P.M. CITY COUNCIL CHAMBERS
MAYOR DAVIS SUNGA	PUBLIC TELEVISION ACCESS COMMITTEE	MAYOR + TWO	MEETINGS ON CALL
MAYOR	SAN FRANCISCO WATER TRANSIT AUTHORITY	MAYOR	4 TH THURSDAY 12:30 P.M. SAN FRANCISCO FERRY BLDG.

BARTHE	SENIOR CITIZENS COUNCIL	ONE	3 RD MONDAY - 2:00 P.M. QUARTERLY DOUGLAS SENIOR CENTER
GOMES	SISTER CITY COMMISSION	ONE	3 RD MONDAY - 7:00 P.M. QUARTERLY SISTER CITY ROOM JFK LIBRARY
MAYOR	SOLANO COUNTY MAYOR'S CONFERENCE	MAYOR	3 RD WEDNESDAY - 6:00 P.M. SUISUN
DAVIS	SOLANO COUNTY FAIR BOARD	ONE	2 ND WEDNESDAY - 6:15 P.M. DIRECTOR'S OFFICE FAIRGROUNDS
PEARSALL	VALLEJO CONVENTION AND VISITORS BUREAU	ONE	3 RD WEDNESDAY - 3:30 P.M. CHAMBER OF COMMERCE OFFICE
SUNGA	TRAVIS REGIONAL ARMED FORCES COMMITTEE	ONE	3 RD MONDAY - 12:00 NOON LOCATION TO BE ANNOUNCED FAIRFIELD
PEARSALL GOMES (ALTERNATE)	TRI-CITY COUNTY COOPERATIVE PLANNING GROUP GOVERNING BOARD	ONE + ALTERNATE	3 RD THURSDAY QUARTERLY 7:00 P.M. 4 JURISDICTIONS ROTATE

DAVIS	VALLEJO GOLF CLUB	ONE	2 ND THURSDAY - 7:00 P.M. BLUE ROCK SPRINGS BOARD ROOM
CLOUTIER PEARSALL (ALTERNATE)	VALLEJO SANITATION & FLOOD CONTROL DISTRICT (VSFCD) CITIZENS ADVISORY COMMITTEE	ONE + ALTERNATE	MEETINGS ON CALL 450 RYDER ST.
SUNGA	YOUTH ACTIVITIES COMMISSION	ONE	1 ST THURS. - 5:30 P.M. ECONOMIC DEVELOPMENT CONFERENCE ROOM
MAYOR	ISLAND ENERGY ADVISORY COMMITTEE	MAYOR	MEETINGS ON CALL
BARTEE	VALLEJO MAIN STREET BOARD OF DIRECTORS	ONE	1 ST FRI. - 9:00 A.M. 401 GEORGIA ST.
MAYOR BARTEE SUNGA	TRANSPORTATION COUNCIL COMMITTEE	THREE	MEETING ON CALL
GOMES CLOUTIER DAVIS	AD HOC COUNCIL COMMITTEE ON TRAFFIC SAFETY IMPROVEMENTS	THREE	MEETINGS ON CALL

BARTEE	SENIOR COALITION	ONE	1 ST FRIDAY NOON 475 TEXAS STREET, FAIRFIELD
BARTEE SUNGA	SR ROUNDTABLE	TWO	TO BE ANNOUNCED
MAYOR	SOLANO CITY COUNTY COORDINATING COUNCIL	ONE	2 ND THURS. - 6:30PM FEB.-MAY-AUG-NOV 508 ELMIRA RD. VACAVILLE

ORDINANCE NO. _____ N.C. (2d)

CONSENT H

AN ORDINANCE OF THE CITY OF VALLEJO ADDING A SECTION 3.20.229 TO THE VALLEJO MUNICIPAL CODE RELATING TO THE CREATION OF A REAL PROPERTY ASSET MANAGEMENT POLICY

THE COUNCIL OF THE CITY OF VALLEJO DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 3.20.229 is hereby added to the Vallejo Municipal Code, which is to read as follows:

"3.20.229 Real Property Asset Management Policy.

The city manager or his or her authorized representative shall prepare and recommend to the city council rules and regulations governing the management, leasing and sale of the city's real property. Said rules and regulations shall be adopted by resolution of the city council."

SECTION 2. **Severability.**

If any section, subsection, sentence, clause, phrase or word of this Ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed and adopted this Ordinance, and each and all provisions hereof, irrespective of the fact one or more provisions may be declared invalid.

SECTION 3. **Effective Date.**


This Ordinance shall take effect and be in full force and effect thirty (30) days from its final passage.



**REDEVELOPMENT AGENCY COMMUNICATION
COUNCIL COMMUNICATION**

Date: March 6, 2007

TO: Honorable Chairperson and Members of the Redevelopment Agency
Honorable Mayor and Members of the City Council

FROM: Robert V. Stout, Finance Director 

SUBJECT: CONSIDERATION OF RESOLUTIONS 1) APPROVING THE FISCAL YEAR 2006-2007 MID-YEAR FINANCIAL REPORT AND 2) ADOPTING A RESOLUTION OF INTENTION TO AMEND THE FISCAL YEAR 2006-2007 BUDGET.

BACKGROUND & DISCUSSION

The purpose of this report is three fold:

- It will briefly discuss the FY 2005-2006 Comprehensive Annual Financial Report (CAFR) and discuss the implications of that report on the current year's projections.
- Staff will brief City Council on the status of the City's financial condition for the current 2006-2007 fiscal year. In that regard, it also proposes amendments to the Fiscal Year 2006-2007 budget as requested by departments to address specific operating requirements needed to complete the fiscal year.
- Finally it also updates General Fund financial projections for the upcoming 2007-2008 fiscal year. These projections will create the framework for upcoming policy and program discussions over the next few months during development of the 2007-2008 Budget.

GENERAL FUND

Year Ended June 30, 2006

The City has published its audited Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2006. The ending General Fund unreserved, undesignated



("available") fund balance was \$7.8 million, or \$283,169 higher than anticipated at the time the Fiscal Year 2006-2007 budget was prepared. The following is a summary of key 2005-2006 actual results as compared to projections:

General Fund
Summary of Final 05-06 Results
(vs. Projections used for FY 06-07 Budget/Beginning Balance)

		Favorable/ (Unfavorable)
Revenues:		
Taxes/general sources:		
Supplemental Property Taxes	954,000	
Other	<u>(36,441)</u>	
		917,559
Departmental		<u>155,662</u>
		1,073,221
Departmental expenditures:		
Salaries/benefits		(51,326)
Service/Supplies		
Expenditures	2,298,216	
Encumbered	<u>(214,779)</u>	
		2,083,437
Interfund allocations		<u>455,512</u>
		2,487,623
Interfund Transfers:		
Transportation		(2,627,000)
Other		<u>(758,884)</u>
		(3,385,884)
Reserves		<u>108,209</u>
Net Results vs. Projection		<u><u>283,169</u></u>

To recap, the City utilized \$1 million in surplus revenues, along with \$2.5 million in expenditure savings, to cover a cumulative \$2.6 million deficit in the Transportation Enterprise Fund. In budget reports during March and June of 2006, City Council approved inter-fund loans to the Transportation Fund in the amount of \$2.4 million to provide working capital on an interim basis until funding solutions could be implemented. However, subsequent analysis and projections indicate that the ultimate ability of the fund to repay such loans is uncertain. Generally Accepted Accounting Principals require that such loans be treated as transfers. Accordingly, the \$2.6 million advance made during the year to cover the actual Transportation Fund deficit has been reported as a General Fund operating transfer in the City's audited financial statements.



Two-year General Fund Projections

During the past two months, each City department has reviewed their respective revenue and expenditure trends to provide input for this midyear financial report. As a result, the City has updated General Fund financial projections for both the current and upcoming fiscal years.

- **Revenues** In total, revenues are expected to approximate the budget for 2006-07, but may drop by \$2.7 million from earlier projections in 2007-08. While 2006-07 property taxes are projected to increase to \$900,000 over budget, Marine World (Six Flags Discovery Kingdom) revenues are expected to drop below budget by \$1.2 million. An economic slowdown in Development Services activity is also expected to result in a revenue loss of \$850,000 from budget. Detailed revenue projections for both years are included as **Attachment #4**. Revenue projections will be updated again after the County's April property tax distribution and after the State Board of Equalization releases the next quarter of sales tax results.

- **Expenditures** Departments have proposed \$2 million of 2006-07 General Fund expenditure budget increases, offset by \$700,000 in expected savings, for a net expenditure increase of \$1.3 million. A detailed list of proposed adjustments is presented as **Attachment #5**. Key General Fund increases include:
 - \$750,000 Fire Overtime
 - \$850,000 Employee leave bank distributions at retirement

- **2006-07 Net Results** Including both updated revenues and expenditures, the General Fund is now projected to operate at a \$4.6 million loss during 2006-07, with ending available fund balance projected at \$3 million. This ending balance represents a reserve of 4% of annual operating expenditures, and is sufficient to cover only one bi-weekly General Fund payroll. The average bi-weekly payroll cost is \$2.8 million.



The following chart is a summary of the 2006-07 General Fund projection:

	06-07		
	Original Budget	Projection 12-06 Council	Midyear 3/6/2007
Beginning Available Balance	7,468,654	7,468,654	7,751,823
Annual Operating Activity:			
Revenues	84,755,966	84,948,466	84,865,200
Expenditures			
Salaries and benefits	74,418,044	74,110,900	74,992,057
Service and supplies	18,837,561	18,047,561	19,234,002
Interfund allocations	(6,353,961)	(6,798,961)	(7,169,461)
Transfers	1,854,322	1,854,322	2,429,322
	88,755,966	87,213,822	89,485,920
Proposed reductions	(4,000,000)		
Adjusted expenditures	84,755,966	87,213,822	89,485,920
Annual Operating Results	0	(2,265,356)	(4,620,720)
Reserve Transactions			17,000
Net Annual Change	0	(2,265,356)	(4,603,720)
Ending Available Balance, With Proposed Reductions	7,468,654	5,203,298	3,148,103
% annual expenditures	9%	6%	4%

- 2007-08 Projections** Projected results for 2007-08 are of grave concern. Revenue growth of 2% cannot cover expected expenditure growth of 5%. The annual operating deficit, for current programs and services, is projected to grow from \$4.6 million in 2006-07 to \$7.5 million in 2007-08, which is 8% of expenditures. Ending fund balance, at the current deficit rate, would use all reserves and would create a negative \$4 million ending balance. Without corrective action, the General Fund is projected to run out of cash for operations in May, 2008.

The following is a summary of 2007-08 projections. A consolidated three-year summary is presented as **Attachment #6**.



	FY 07-08		
	Projection 06-07 Budget	Projection 12-06 Council	Midyear 3/6/2007
Beginning Available Balance	7,468,654	5,203,298	3,148,103
Annual Operating Activity:			
Revenues	88,146,205	89,081,205	86,336,700
Expenditures			
Salaries and benefits	79,999,397	77,505,397	77,800,000
Service and supplies	19,214,312	17,999,285	19,284,285
Interfund allocations	(6,544,580)	(7,169,580)	(7,540,080)
Transfers	1,854,322	1,854,322	4,354,322
	94,523,452	90,189,425	93,898,528
Proposed reductions	(4,000,000)		
Adjusted expenditures	90,523,452	90,189,425	93,898,528
Annual Operating Results	(2,377,247)	(1,108,220)	(7,561,828)
Reserve Transactions			
Net Annual Change	(2,377,247)	(1,108,220)	(7,561,828)
Ending Available Balance, With Proposed Reductions	5,091,407	4,095,078	(4,413,725)
% annual expenditures	6%	5%	-5%

- **Next Steps**

The 2007- 2008 Proposed Budget is scheduled for presentation to City Council by May 15th, consistent with the City Charter timeline requirement of 45 days before the beginning of the fiscal year. All city departments have started the budget development process to identify risks, opportunities, and strategies to support the City's ongoing economic viability.

It should be understood that the changes required to close the large General Fund deficit discussed above will be difficult and will almost certainly entail significant reductions in the levels of services the City is able to provide. It is expected that these reductions will, by necessity, include public safety. Therefore, staff is planning a series of workshops to discuss, in depth, our recommendations and the effect of those recommendations on service levels prior to adoption of the budget.



OTHER FUNDS

Proposed Budget Amendments

Proposed budget adjustments for funds other than the General Fund are also presented as **Attachment #5**. Adjustments are presented for the following programs:

- #107 Mare Island Leasing Fund – North Island CFD levy and services in support of the North Island Exclusive Right to Negotiate
- #129 Outside Services Fund – Developer service charges
- #133 Gas Tax Fund – Transfer to Equipment Fund
- #15x Police Grants
- #161 Landscape Maintenance Funds
 - Allocation of 3 positions, transferred from General Fund on 12-19-06, to individual districts
 - FEMA repairs and other operating items
- #404 Water Capital Fund – Capital program
- #420/1 Transportation Enterprise Fund – Capital program
- #502 Equipment Replacement – Insurance proceeds/Replacements
- #206 Arts and Convention Fund – Empress Theater
- #211 I-80 Overpass Fund – Empress Theater
- #723/33 Redevelopment – Empress Theater

Fiscal Impact

The proposed amendments to the Fiscal Year 2006-2007 budget, as noted on Attachment 5, will decrease General Fund revenues by \$0.984 million and increase expenditures by \$1.346 million, for a net negative fund balance impact of \$2.3 million. The net impact of the recommendations on all other funds will be to increase revenues by \$2.6 million and expenditures by \$4.5 million.

RECOMMENDATION

Staff proposes that Council adopt the attached two (2) resolutions to accept this midyear report and to update 2006-07 appropriations for both the City and for the Redevelopment Agency. Without these adjustments, the various agencies and departments would not have sufficient resources to continue operations at the current service levels for the remainder of the year fiscal year. On a go-forward basis, staff is working diligently to prepare a Fiscal Year 2007-2008 budget that will make recommendations to address the fiscal issues facing the City.



PROPOSED ACTION

Staff proposes that the Council and Redevelopment Agency:

- **City Council**
 1. Adopt a Resolution approving the Fiscal Year 2006-2007 Mid-Year Financial Report.
 2. Adopt a Resolution of Notice of Intention to amend the City's budget for Fiscal Year 2006-2007 for revenues in the amount of \$1.6 million and approved expenditures in the amount of \$5.8 million.
- **Redevelopment Agency**
 1. Adopt a Resolution of Notice of Intention to amend the Redevelopment Agency's budget for Fiscal Year 2006-2007 for City loans in the amount of \$1,468,000 and approved expenditures in the amount of \$1,468,000.

ENVIRONMENTAL REVIEW

This program is not a project as defined by the California Environmental Quality Act (CEQA) and is not subject to CEQA review.

DOCUMENTS ATTACHED

1. Resolution approving the Fiscal Year 2006-2007 Mid-Year Financial Report.
2. Resolution of Notice of Intention to amend the City's budget for Fiscal Year 2006-2007
3. Resolution of Notice of Intention to amend the Redevelopment Agency's budget for Fiscal Year 2006-2007
4. Revenue Projections – Fiscal Years 2006-07 and 2007-08
5. Proposed Budget Amendments – Fiscal Year 2006-07
6. General Fund Balance Projections – Fiscal Years 2006-07 and 2007-08



PREPARED BY:

Susan Mayer, Assistant Finance Director (707) 648-4486

CONTACT:

Robert V. Stout, Finance Director (707) 648-4592

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALLEJO APPROVING THE FISCAL YEAR 2006-2007 MID-YEAR FINANCIAL REPORT

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, in June 2006, the City Council did adopt a budget for Fiscal Year 2006-2007; and

WHEREAS, the City Manager has submitted to the Council a Mid-Year Financial Report which includes an estimate of expenditures, revenues and transfers for all City Departments for the Fiscal Year 2006-2007, together with such other budget information as required by the Charter of the City of Vallejo; and

WHEREAS, the Council has considered the report and recommendations of the City Manager on the proposed Mid-Year Financial Report for Fiscal Year 2006-2007 based upon the City Manager's estimate of expenditures, revenues and transfers and has determined that the Mid-Year Financial Report is both fair and appropriate; now, therefore:

IT IS HEREBY RESOLVED BY THE COUNCIL OF THE CITY OF VALLEJO, CALIFORNIA, AS FOLLOWS:

Section 1: The City Council accepts and files the Fiscal Year 2006-2007 Mid-Year Financial Report together with any detailed back-up to those documents.

Section 2: This Resolution shall be in full force and effect from and after its passage and signature as provided by law.

RESOLUTION NO. _____ N.C.

**A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF VALLEJO
TO AMEND THE FISCAL YEAR 2006-2007 BUDGET**

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, in June 2006, the City Council did adopt a budget for the Fiscal Year 2006-2007; and

WHEREAS, the City Charter Section 703 requires that available funds not included in the budget may be appropriated by the City Council after giving one week's notice of intention to do so; and

WHEREAS, staff is proposing that revenue budgets be increased by \$1.6 million and expenditures appropriations be increased in the amount of \$5.8 million per the attached recommendations for Fiscal Year 2006-2007; and,

WHEREAS, the Council has considered the report and recommendations of the City Manager on the proposed Mid-Year Financial Report for Fiscal Year 2006-2007 based upon the City Manager's estimate of expenditures, revenues and transfers and has determined that the Mid-Year Financial Report is both fair and appropriate; now, therefore:

IT IS HEREBY RESOLVED BY THE COUNCIL OF THE CITY OF VALLEJO, CALIFORNIA, AS FOLLOWS:

- Section 1. That the City Council, pursuant to Charter Section 703, hereby proposes amendments to the City's budget, by this Notice of Intention for Fiscal Year 2006-2007, by increasing expenditures, transferring unencumbered appropriations, increasing certain revenue estimates, transferring certain costs to both General Fund and non-General Fund accounts, and approves Inter fund loans as set forth in Attachment #5 to this Staff Report and by this reference incorporated herein.
- Section 2. The City Manager, pursuant to Charter Sections 501 and 717, is authorized to purchase or enter into contracts for materials, supplies, equipment and services of a value of \$25,000 or less for which funding is included in the Budget for Fiscal Year 2006-2007.

RESOLUTION NO. _____

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO TO AMEND THE FISCAL YEAR 2006-2007 BUDGET

BE IT RESOLVED by the Redevelopment Agency of the City of Vallejo ("Agency"), as follows:

WHEREAS, in June 2006, the Agency did adopt a budget for the Fiscal Year 2006-2007; and

WHEREAS, the City Charter Section 703 requires that available funds not included in the budget may be appropriated by the Agency after giving one week's notice of intention to do so; and

WHEREAS, staff is proposing that revenue budgets be increased by \$1,438,000 and expenditures appropriations also be increased in the amount of \$1,438,000 per the attached recommendations for Fiscal Year 2006-2007; and,

WHEREAS, the Agency has considered the report and recommendations of the Executive Director on the proposed Mid-Year Financial Report for Fiscal Year 2006-2007 based upon the Executive Director's estimate of expenditures, revenues and transfers and has determined that the Mid-Year Financial Report is both fair and appropriate; now, therefore:

IT IS HEREBY RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO ("AGENCY"), AS FOLLOWS:

Section 1. That the Agency, pursuant to Charter Section 703, hereby proposes amendments to the Agency's budget, by this Notice of Intention for Fiscal Year 2006-2007, by increasing expenditures, transferring unencumbered appropriations, and approves Inter fund loans as set forth in **Attachment #5** to this Staff Report and by this reference incorporated herein.

As of March 1, 2007

City of Vallejo General Fund
Revenue Trends
 (Net of Mare Island Allocations)

	2003-04		2004-05		2005-06		2006-07		2007-08	
	Actual	% Change	Actual	% Change	Actual	% Change	Budget as of 2-20-07	As Projected 2-20-07	% Change	As Projected 2-20-07
General Revenues										
Property Taxes										
CURRENT SECURED TAXES	11,139,400	11%	12,392,646	11%	14,027,383	13%	15,549,442	16,188,350	15%	17,750,000
CURRENT UNSECURED TAXES	364,039	32%	480,508	32%	474,469	-1%	508,230	535,000	13%	590,000
SUPPLEMENTAL TAXES	832,937	83%	1,522,815	83%	2,056,575	35%	1,202,042	1,400,000	-32%	700,000
HOMEOWNERS EXEMPTN TAX	103,451	91%	197,884	91%	199,849	1%	192,608	200,000	0%	220,000
UNITARY TAXES	241,179	-2%	235,580	-2%	305,430	30%	306,059	300,000	-2%	330,000
TAX INCREMENT PASS-THROUGH	12,681,006	17%	14,829,433	17%	17,063,706	15%	17,758,381	18,667,350	9%	19,639,000
SB 1096 ERAF	0		(1,205,898)		(1,205,898)	0%	17,758,381	18,667,350	18%	19,639,000
Sales Tax										
SALES TAX	12,145,303	4%	12,617,179	4%	13,819,405	10%	13,510,440	13,700,000	-1%	13,500,000
ONE TIME CATCH-UP	0		538,836		13,819,405	5%	13,510,440	13,700,000	-1%	13,500,000
Motor Vehicle License Fees										
MOTOR VEHICLE FEES/SB 1096	5,688,734	35%	7,689,334	35%	8,592,520	12%	9,368,000	9,582,750	12%	10,491,885
STATE VLF LOAN	0		1,834,360		8,592,520	-100%	9,368,000	9,582,750	12%	10,491,885
Transit Occupancy Tax										
Transit Occupancy Tax	1,447,810	-3%	1,402,835	-3%	1,405,410	0%	1,350,000	1,460,000	4%	1,500,000
Real Property Excise Tax										
Real Property Excise Tax	842,302	144%	2,054,766	144%	256,438	-88%	904,000	900,000	251%	900,000
Franchise										
Franchise	2,289,454	2%	2,344,994	2%	2,538,051	8%	3,052,157	3,256,834	28%	3,536,978
UUT										
UUT	11,707,589	0%	11,749,465	0%	12,328,597	5%	13,134,268	12,977,200	5%	13,470,278
Property Transfer Tax										
Property Transfer Tax	4,020,260	36%	5,481,108	36%	5,106,488	-7%	4,350,000	4,000,000	-22%	4,000,000
Business License										
Business License	1,218,595	9%	1,323,987	9%	1,298,046	-2%	1,268,800	1,300,000	0%	1,300,000
Subtotal, Taxes	52,041,053	17%	60,660,399	17%	61,202,763	1%	64,696,046	65,844,134	8%	68,338,141

	2003-04		2004-05		2005-06		2006-07		2007-08	
	Actual	% Change	Actual	% Change	Actual	% Change	Budget as of 2-20-07	As Projected 2-20-07	% Change	As Projected 2-20-07
Fire										
MARE ISLAND/STATION 9 ALLOCATION	1,915,300	5%	2,012,998	5%	2,149,788	7%	2,603,074	2,603,074	21%	2,824,335
EAST VALLEJO FIRE DIST.	245,072	42%	348,172	42%	458,169	32%	300,000	460,000	0%	475,000
GRANTS	0	0%	0	0%	221,983		26,731	26,731	-88%	
MISC REIMBURSEMENTS	225,046	-30%	156,499	-30%	45,905	-71%	30,000	123,000	168%	30,000
CONFINED SPACE RESCUE	0	0%	10,000	0%	20,000	100%	10,000	10,000	-50%	10,000
AMBULANCE SAVINGS-SOLNO CO	56,981	100%	113,963	100%	71,559	-37%	77,000	89,916	26%	125,000
PLAN REVIEW FEES	48,202	12%	53,962	12%	55,506	3%	35,000	35,000	-37%	35,000
INSPECTION FEES	33,609	84%	61,866	84%	32,365	-48%	36,400	36,400	12%	36,400
WEED ABATEMENT	28,564	136%	67,396	136%	36,654	-46%	43,000	43,000	17%	43,000
OTHER	1,251	0%	3,204	0%	570	-82%	58,000	500	-12%	500
	<u>2,554,025</u>	<u>11%</u>	<u>2,828,060</u>	<u>11%</u>	<u>3,082,499</u>	<u>9%</u>	<u>3,219,205</u>	<u>3,427,621</u>	<u>11%</u>	<u>3,579,235</u>
Police										
PROP 172 - SALES TAX	402,234	10%	443,287	10%	473,633	7%	479,415	479,415	1%	479,415
MARE ISLAND	531,900	5%	556,700	5%	630,504	13%	923,708	923,708	47%	1,002,223
SCHOOL DISTRICT	0	0%	359,991	0%	446,667	24%	580,000	580,000	30%	629,300
HIGH TECH TASK FORCE	116,869	0%	409,922	0%	435,152	6%	400,000	427,000	-2%	463,295
OFFICE OF TRAFFIC SAFETY	0	0%	67,860	0%	141,057	108%	284,000	340,000	141%	340,000
POST REIMBURSEMENTS	54,318	59%	86,603	59%	97,935	13%	75,000	75,000	-23%	75,000
OVERTIME REIMBURSEMENT	0	0%	83,593	0%	154,519	85%	200,000	160,000	4%	160,000
ANTI-GANG GRANT							125,000	125,000	0%	125,000
VEHICLE FINES - CITY	362,992	4%	379,157	4%	524,137	38%	500,000	500,000	-5%	500,000
PARKING FINES	435,444	19%	516,017	19%	507,013	-2%	620,000	620,000	22%	620,000
ABANDONED VEHICLES	85,265	100%	170,218	100%	103,218	-39%	130,000	130,000	26%	130,000
POLICE IMPOUND FEES	73,754	-4%	70,846	-4%	73,356	4%	81,100	90,000	23%	95,000
FALSE ALARM FEES	55,873	-7%	51,802	-7%	59,107	14%	143,000	58,000	-2%	58,000
OTHER	425,408		85,467		198,359	132%	132,200	156,400	-21%	157,600
GRANT TRANSFERS - CAD DEBT SERVICE							285,000	285,000		285,000
BOOKING FEES REBATE	416,784	0%	416,784	0%	0	-100%	0	300,000		0
	<u>2,960,841</u>	<u>25%</u>	<u>3,698,247</u>	<u>25%</u>	<u>3,844,657</u>	<u>4%</u>	<u>4,958,423</u>	<u>5,249,523</u>	<u>37%</u>	<u>5,119,833</u>
Public Works										
ENGINEERING FEES	1,525,846	6%	1,616,061	6%	1,056,855	-35%	1,350,000	1,350,000	28%	1,350,000
GRADING PERMIT FEES	213,444	104%	434,982	104%	225,520	-48%	150,000	200,000	-11%	200,000
WASTE MANAGEMENT	143,800	0%	143,800	0%	136,112	0%	223,300	223,300	55%	223,300
OTHER	128,507	-77%	29,676	-77%	136,112	359%	126,000	74,000	-46%	21,750
	<u>2,011,597</u>	<u>11%</u>	<u>2,224,519</u>	<u>11%</u>	<u>1,562,287</u>	<u>-30%</u>	<u>1,849,300</u>	<u>1,847,300</u>	<u>18%</u>	<u>1,795,050</u>
Subtotal, Program Revenues	11,413,056	25%	14,277,596	25%	12,645,644	-11%	14,783,538	14,429,629	14%	13,457,373
Total	69,784,077	19%	82,754,146	19%	81,109,558	-2%	85,849,564	84,865,200	5%	86,336,700
Other Funds in CAFR	405,987									
Per CAFR, with Transfers	70,190,064									

**06-07 Midyear Budget Review
Proposed Budget Adjustments
March 6, 2006**

<u>General Fund</u>	<u>Revenue</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Net</u>
<u>General Revenues</u>				
Property Taxes	900,000			
Marine World Revenue Sharing	(1,200,000)			
Remove "new revenue" placeholder budget	(500,000)			
	<u>(800,000)</u>	-	-	
<u>Community Development</u>				
Development Services Fee Revenues	(850,000)			
Business Improvement District (Pass-through carryover from FY 05-06)		17,000		
	<u>(850,000)</u>	<u>17,000</u>	-	
<u>Police</u>				
State allocation - Booking Fees	300,000			
Grants and other programs	115,000			
Delayed False Alarm program	(85,000)			
Reduced overtime reimbursements	(40,000)			
	<u>290,000</u>	-	-	
<u>Fire</u>				
East Vallejo Fire District	160,000			
Delayed False Alarm program	(38,000)			
Mutual Aid/other	78,000			
Overtime (net of vacancy savings)		745,000		
Expanded weed abatement program		25,000		
Other service/supplies savings		(45,000)		
	<u>200,000</u>	<u>725,000</u>	-	
<u>Non-Departmental</u>				
Miscellaneous revenue updates	175,636			
Compensated absence/employee leave payments		850,000		
Original budget	1,000,000			
Midyear increase	850,000			
Annual projection	<u>1,850,000</u>			
Utility User Tax - Election Costs		200,000		
Contributions - Unity Day (Pass-through donations)		4,000		
Transfer to Transportation Fund (Substitution of General Fund Transfer for Bridge Fund Advance)		200,000		
Original Budget	300,000			
Midyear increase	200,000			
Total FY 06-07	<u>500,000</u>			
Defer capital improvements		(200,000)		
Implement updated 06-07 Cost Plan		(450,000)		
	<u>175,636</u>	<u>604,000</u>	-	
<u>Reclassifications</u>				
<u>Risk Fund Rebate</u>				
To reallocate Risk Fund rebate, included in 12/19/06 budget amendment, to program departments				
Non-department		250,000		
Police Department		(150,000)		
Fire Department		(100,000)		
		<u>-</u>	<u>-</u>	<u>-</u>
<u>Building Energy Costs</u>				
To reallocate building energy costs/utility bills to corresponding program departments				
Public Works - Building Maintenance		(246,000)		
Police Department		118,000		
Fire Department		128,000		
		<u>-</u>	<u>-</u>	<u>-</u>
Subtotal, General Fund	<u>(984,364)</u>	<u>1,346,000</u>	<u>-</u>	<u>(2,330,364)</u>
<u>Reconciliation of change in Fund Balance since 12/19 report:</u>				
Fund Balance, per 12/19 report	5,203,298			
Updated beginning fund balance - actual	283,169			
Subsequent action - Downtown LMD	(25,000)			
Proposed midyear adjustments - net	(2,330,364)			
Draw on fund balance reserves	17,000			
Fund Balance projection, at 2/27/07	<u>3,148,103</u>			

	<u>Revenue</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Net</u>
<u>Mare Island Lease Fund #107</u>				
Charges for Services - North Island ERN	350,000			
Professional Services - North Island ERN		350,000		
City share of 2002 CFD Levy/North Island		240,000		
	<u>350,000</u>	<u>590,000</u>	<u>-</u>	<u>(240,000)</u>
<u>Outside Services Fund #129</u>				
Charges for Services - Development	100,000			
Professional Services		100,000		
	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
<u>Gas Tax Fund #133</u>				
Transfer to Equipment Replacement Fund - Pavement Grinder			(325,000)	
	<u>-</u>	<u>-</u>	<u>(325,000)</u>	<u>(325,000)</u>
<u>Police Grant Fund</u>				
Grant Revenue	138,000			
"Avoid the 10" Program				
"TEAM" DUI Enforcement Program				
Grant Expenditures		138,000		
Equipment (radios, trailer, motorcycles)				
Services				
	<u>138,000</u>	<u>138,000</u>	<u>-</u>	<u>-</u>
<u>Landscape Maintenance Districts</u>				
<u>Staff Cost Distribution</u>				
To allocate costs for 3 FTEs, transferred from General Fund on 12-19-06, to the individual districts receiving services:				
<u>Administration Fund</u>				
161 Admin Fund		District Reimbursements	(140,000)	
<u>For tree trimming services</u>				
Fund 168 - Greenmont-Seaport Maint Dist			-	
Fund 173 - Somerset I & II Maint Dist			23,375	
Fund 174 - Woodridge Maint Dist			23,375	
Fund 181 - Hunter Ranch I & II			23,375	
<u>For irrigation services</u>				
Fund 163 - Sandpiper Point Landscape Maint Dist			2,000	
Fund 165 - Town & Country Maint Dist			4,000	
Fund 166 - Costa Del Rio Maint Dist			4,000	
Fund 170 - Carriage Oaks Landscape Maint Dist			1,000	
Fund 171 - Cimaron Madigan Maint Dist			5,000	
Fund 172 - Fleming Hill Springtree Maint Dist			2,000	
Fund 173 - Somerset I & II Maint Dist			4,000	
Fund 174 - Woodridge Maint Dist			5,000	
Fund 175 - College Hills Maint Dist			4,000	
Fund 176 - Somerset III Maint Dist			4,000	
Fund 181 - Hunter Ranch I & II			2,500	
Fund 182 - Glen Cove I & II Country Place Maint			4,000	
Fund 185 - Glen Cove III Maint Dist			5,000	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

<u>Landscape Maintenance Districts , continued</u>			<u>Revenue</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Net</u>
<u>Other LMD Program Adjustments</u>						
161	Admin Fund	Computer/Network		14,295		
161	Admin Fund	Training/Autocad		1,500		
138	Hiddenbrooke	Repeater		10,000		
138	Hiddenbrooke	Irrigation		10,000		
138	Hiddenbrooke	FEMA repairs		37,000		
162	S Vallejo Bus Pk	Water		7,000		
163	Sandpiper Court	05-06 Rehab		10,000		
	Seaview/Costa	Irrigation		5,000		
170	Carriage Oaks	Hazardous trees		3,500		
178	Norht East Quad	Lawns/Turf		13,200		
180	Garthe Ranch	Planting		6,900		
185	Glen Cove	Eucs & Marina Estates		32,200		
185	Glen Cove	Villa Del Mar clean-up		5,600		
185	Glen Cove	Dam & Controllers		12,000		
188	Garthe Ranch Estates	Formation		7,100		
			-	175,295	-	(175,295)
<u>Arts and Convention Fund #206</u>						
	Loan to RDA for Empress Theater				(968,000)	
	(Budget for Loan approved by Council June 2005)					
			-	-	(968,000)	(968,000)
<u>I-80 Overpass Capital Fund #211</u>						
	Triad Letter of Credit		500,000			
	Loan to RDA for Empress Theater				(500,000)	
			500,000	-	(500,000)	-
<u>Water Capital Fund #404</u>						
	WT7012 (Water Main ST63 Wilson)			120,000		
			-	120,000	-	(120,000)
<u>Transportation Enterprise Fund #420/1</u>						
	One-time STAF grant revenue		1,400,000			
	Operating Expenditures			150,000		
	Capital Projects:					
	TFCAP8	Ferry Engine Overhaul		1,555,000		
	TEQUIP	Miscellaneous Support Equipment		50,000		
		Vallejo Station		(355,000)		
			1,400,000	1,400,000	-	-
<u>Corp Yard/Equipment Replacement Fund #502</u>						
	Misc Revenue - Insurance Recovery		121,620			
	Transfer from Gas Tax - Pavement Grinder				325,000	
	Equipment Replacement			481,620		
			121,620	481,620	325,000	(35,000)
<u>Redevelopment Agency/Vallejo Central #723/733</u>						
	Loan from City I-80 Overpass Fund				500,000	
	Loan from Arts and Convention Fund					
	(Budget for Loan approved by Council June 2005)				968,000	
	Contribution to Empress Theater			1,468,000		
			-	1,468,000	1,468,000	-
Total			1,625,256	5,818,915	-	(4,193,659)

CONSIDERATION OF RESOLUTIONS 1) APPROVING THE FISCAL YEAR 2006-2007 MID-YEAR FINANCIAL REPORT AND 2) ADOPTING A RESOLUTION OF INTENTION TO AMEND THE FISCAL YEAR 2006-2007 BUDGET

In June 2006, the City Council adopted the Budget for Fiscal Year 2006-2007. This report provides a status update of the Fiscal Year 2006-2007 budget and proposes revisions to the revenue and expenditure budgets based on departmental reviews of their budgets at the mid-point of the year. The adoption of these amendments requires separate actions by the City Council and the Redevelopment Agency.

PROPOSED ACTION

Staff proposes that the Council and Redevelopment Agency:

City Council


1. Adopt a Resolution approving the Fiscal Year 2006-2007 Mid-Year Financial Report.
2. Adopt a Resolution of Notice of Intention to amend the City's budget for Fiscal Year 2006-2007.

Redevelopment Agency

- 1) Adopt a Resolution of Notice of Intention to amend the Redevelopment Agency's budget for Fiscal Year 2006-2007.

**Agenda Item No.****COUNCIL COMMUNICATION****Date: March 6, 2007**

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH NELSON/NYGAARD CONSULTING ASSOCIATES, INC. TO PERFORM AN OPERATIONAL AND FINANCIAL ANALYSIS OF THE CITY TRANSPORTATION SERVICES

BACKGROUND

The City of Vallejo owns Vallejo Transit, the local and express fixed route bus service; Vallejo Baylink, the ferry boat service from Vallejo to San Francisco; and Vallejo Runabout, the paratransit service for Americans with Disabilities Act (ADA) service eligible riders. These transit services are operated by private companies through contracts with the City of Vallejo.

The City's transit services have been designed to be funded wholly from revenues derived from fares, grants, and other operating income generated from transit related activities or services. In recent years, these transit revenues have failed to keep up with the increased operating costs, resulting in a rapidly growing cumulative operating deficit that totaled an estimated \$2.4M at the end of FY 2006. Projections for the current fiscal year show an additional \$400K in deficit will be incurred in FY 2007, inclusive of a one time grant for \$1.4M. Accordingly the projected budget deficit for FY 2008 will be about \$2M unless expenditures can be reduced or additional revenues can be secured. Currently, these deficits are funded through loans from the City's General Fund and other City funds. It should also be noted that the \$1.4M one time grant being used to reduce this year's deficit was to be used for badly needed bus replacements.

As result of this ongoing deficit in the transportation fund it was determined that the City needed a comprehensive operating and financial analysis of the City's transportation system that would provide the framework for an efficient, effective, and financially self-sustainable transportation system. It was decided that a Consultant should be engaged to evaluate and make recommendations on all aspects of the system including but not limited to: contracts, operating costs, potential new revenue sources, fare structure, schedules, routes/sailings, and organizational structure. The first objective of the consultants will be to help the transportation division determine the immediate and necessary actions to address the Fiscal Year 07-08 projected budget deficit. The



second objective of the consultants will be to prepare contract and solicitation documents for the bus and ferry operations contracts which are expiring at the end of this Fiscal Year. Both of these objectives are time sensitive and mission critical for the transportation system.

A Request for Proposals to perform the work was issued on September 18, 2006. It was sent to fifteen consulting firms. On September 28, 2006, a non-mandatory pre-proposal meeting was held. Eight consultants and three City staff members were present. Addendum #1 was issued following the pre-proposal conference adding a task to the scope of work to produce a mandated Short Range Transit Plan (SRTP) and sending out the minutes from the pre-proposal conference as well as SRTP guidelines. Another amendment was issued on October 18th extending the proposal submission deadline to November 3, 2006. Four firms, Transit Resource Center, RNR Consulting, Nelson Nygaard, and IBI Group responded. All four firms were interviewed and scored according to the criteria (experience, personnel, approach, price, and reference checks) established in the RFP document. Based on the scores submitted by the Technical Review Committee, Nelson Nygaard is recommended by the committee to the City Council for award of contract.

During negotiations regarding final terms and conditions there was discussion regarding additional tasks that might need to be added under the general scope of work. Staff requested a change in the original tasks to include a Transportation Crisis Management Plan to address the immediate financial situation. In addition the original solicitation stated that this work would utilize information obtained from an STA sponsored origin and destination study. Because of the timing of the study conducted by STA, there is concern about the applicability of the data for use in conducting the analysis proposed in this solicitation. STA has not released data from the study for analysis by staff to determine utility for this application. As a result staff has included two additional work tasks: (1) development of a Transportation Crisis Management Plan has been added to the contract and (2) an optional costs for conducting a survey / ride check should it be necessary.

Fiscal Impact

The cost proposal submitted for performance of the original tasks is \$139,109. The optional work task for the survey / ride check would cost an additional \$42,138. The additional work task to develop a Transportation Crisis Management Plan will cost an additional \$48,660. Accordingly, if the optional survey and ride check is necessary, the total cost of this contract will be \$229,907.

The Transportation Division has two secure sources of funding for work performed on this project. STA has committed \$50,000 and MTC has committed \$62,856 for a total of



\$112,856. General Fund dollars will be used to cover the remaining costs (\$26,253 or \$117,051 if all optional work is performed) associated with the work. Staff believes that this expenditure is justified given the potential for this comprehensive analysis to relieve substantial General Fund subsidies to the Transportation Fund projected in next year's budget.

RECOMMENDATION

Staff recommends approval of a resolution authorizing the City Manager to execute a contract with Nelson Nygaard Consulting Associates, Inc. to conduct an Operational and Financial Analysis of the Transportation Services.

ENVIRONMENTAL REVIEW

The proposed Operational and Financial Analysis of the City's Transportation Services is an activity which has no potential for resulting in either a direct or an indirect physical change in the environment, so that it is not considered a project under CEQA (See Guidelines sec. 15378(a)).

PROPOSED ACTION

Staff recommends approval of a resolution authorizing the City Manager to execute a contract with Nelson Nygaard Consulting Associates, Inc. to conduct an Operational and Financial Analysis of the Transportation Services.

DOCUMENTS AVAILABLE FOR REVIEW

- a. A resolution authorizing the City Manager to execute a contract with Nelson Nygaard Consulting Associates, Inc. to conduct an Operational and Financial Analysis of the Transportation Services.
- b. Scope of Work for Operational and Financial Analysis of the City of Vallejo Transportation Services.

CONTACT PERSONS

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MARCH 6, 2007
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RESOLUTION NO. 07-_____ N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, on September 18, 2006, a Request for Proposals (RFP) was released to solicit proposals from qualified firms to perform an Operational and Financial Analysis for the City of Vallejo Transit System; and

WHEREAS, four qualified firms responded with proposals and staff held interviews with the qualified firms; and

WHEREAS, the evaluation committee has evaluated all the firms that submitted proposals based on the selection criteria published in the RFP and is recommending that the City enter into an agreement with Nelson Nygaard Consulting Associates, Inc.; and

WHEREAS, staff is recommending that the City enter into an agreement with Nelson Nygaard Consulting Associates, Inc. to perform an Operational and Financial Analysis of the City Transportation Division, at a negotiated Not to Exceed price of \$187,769 for performance of the work, with an option to perform additional work at a Not to Exceed price of \$42,138; and

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Vallejo does hereby authorize the City Manager to execute a consultant services agreement, subject to any minor, technical or clarifying changes as may be approved by the City Manager and City Attorney, with Nelson Nygaard Consulting Associates, Inc., at a negotiated price Not to Exceed \$187,769.

BE IT FURTHER RESOLVED that the City Manager is authorized, if deemed necessary, to exercise an option for additional work Not to Exceed \$42,138, to perform an Operational and Financial Analysis of the City of Vallejo Transportation Division.

MARCH 6, 2007

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EXHIBIT A1
Proposed Amendment to Scope of Work (2/27/07)

Nelson/Nygaard Consulting Associates
(version date 2/23/07)
Proposal-SRTP, Operational and Financial Analysis of Vallejo Transit

Nelson\Nygaard Consulting Associates

Proposal – SRTP, Operational and Financial Analysis of Vallejo Transit (10/20/06)

Action Item #1 - Development of Transit Crisis Management Plan

<p>This amendment responds to the transit system budget “shortfall” identified by city staff and presented to Nelson\Nygaard on 2/27/07.</p>
--

Approach

For the first action item in this project, Nelson/Nygaard and McGuire Management Consultancy will prepare a “Crisis Management Plan for the City of Vallejo” to identify immediate actions necessary to bring the transit service and finances into balance given the proposed budget deficit.

The action plan will include, but not be limited to:

- Extending the existing operating contracts for a minimum of 6 months to allow time to implement the crisis plan and to prepare an effective procurement process consistent with the direction established in the crisis plan.
- Analyzing existing grants to determine financial management options under the various grant sources.
- Performing a summary evaluation of expenditure controls.
- Reviewing short-term revenue and expense projection as part of the FY 07-08 budget process.
- Establishing transit service performance standards and evaluating the effectiveness of each service component (route by route prioritization and service by service) and identifying likely candidates for service reduction strategies.
- Evaluating fare structure options for rate increases that recognize the varying revenue expectations of different service types (e.g. rate impacts on regional services vs. local routes).

The above analysis will result in a Crisis Management Plan that will offer specific recommendations to the City for rate and service adjustments that will bring the transit program into financial balance for FY 07-08. The consulting team proposes to interact

with designated City Council Members during the process to advise them on the extent of the crisis, the likely outcomes of the analysis, and consequences of failure to act on Crisis Plan recommendations.

City staff that needs to be closely involved with this effort includes the Public Works Director and the Transit Superintendent. Regular updates will be provided to the City Manager and Finance Director.

Task Schedule

CONSULTANT will begin work in mid march, 2007 and expect to have an action plan ready for staff to submit to the City Council by June 15, 2007.

Deliverable

CONSULTANT will prepare a Technical Memorandum that covers:

- Management and Organizational Strategies (geared towards this specific issue)
- Assessment of grants and financial management options
- Assessment of expenditure controls and suggestions about FY 07/08 budget
- Proposed service standards and service reductions (Bus, Paratransit, Ferry)
- Proposed Fare increases (all fare media)

Staff

The work on this task will be completed primarily by Phil McGuire and Paul Jewel, with assistance as-needed from other Nelson\Nygaard staff listed in the main proposal document.

Budget

This amendment represents additional work above and beyond that listed in the main proposal document. Our estimated budget for this task is \$48,660. This budget was developed under the assumption that given the importance of this issue, and the tight time line, the consulting team will be spending a significant percentage of its hours **on-site** in Vallejo.

Phil McGuire	\$100/Hr	200 hours	\$20,000
Paul Jewel	\$150/Hr	80 hours	\$12,000
Linda Rhine	\$150/Hr	50 hours	\$7,500
NN APM	\$95/Hr	40 hours	\$3,800
NN Associate	\$75/Hr	40 hours	\$3,000
NN Production and Support	\$85/Hr	16 hours	\$1,360
Direct Costs (NN & McGuire)			\$1,000
Amendment Total			\$48,660

EXHIBIT A2

Proposal-SRTP, Operational and Financial Analysis of Vallejo Transit Version (2-23-07)

Scope of Work

Task 1. Project Meetings, Briefings, Website Materials and Open Houses

Lead: Paul Jewel

Objective

The objective of this task is to keep the “customers” and decision-makers informed during the study and to solicit input from both “groups” during the design and service proposal phases.

Approach

Nelson\Nygaard will:

- Conduct three (3) meetings with each of the three Advisory Committees
- Meet with staff on a bi-weekly basis (project progress reports)
- Provide project materials, as requested by staff, in PDF format for the city’s website
- Present service standards and the draft Final Report to the City Council (2 meetings)
- Conduct two (2) general public meetings each to present the service options and alternatives proposals and Final Report

Deliverables: Nelson\Nygaard will attend meetings, prepare materials (including items for the website), meet with staff, and meet with the public and present materials to the City Council.

Task 2. Prepare RFPs for Contracting Services

Lead: Phil McGuire

Objective

The objective of this consulting effort for the City of Vallejo is to evaluate the contracting environment and circumstances, identify necessary measures to correct contractual deficiencies that were shown in the FTA Triennial Audits, and to manage a procurement process that results in the selection of the most cost effective transit and ferry boat operators available. This is an intense process requiring insight into the contracting process, rigorous management of solicitation and review of proposals, and structured evaluation of contractor submittals.

Phil McGuire has lead transit service procurement processes for many clients. In the past year, he has managed the procurements for the City of Vacaville and Sonoma County

Transit. In 2004, he managed the procurement for the City of Elk Grove. In years past, McGuire has managed more than a dozen service procurements. But in addition to representing clients with the procurement process, he has also compiled a strong record on the other side of the transit service procurement process. He recently lead Senior Services of Snohomish County, WA, through the successful procurement of a new 5 year contract to operate ADA service in the County north of Seattle, WA. This \$6m per year contract will be implemented in a very complex operating environment with the successful proposal guiding a team of professionals through all aspects of the proposal process including budget development and a Best and Final offer.

Approach

Mr. McGuire with the assistance of the ferry operations consultant will review prior procurement materials. The evaluation will consider the range of procurement approaches used in the industry and assess the advantages and disadvantages of each. The output of this analysis will be used to determine the best approach for each component of the Vallejo transit program, bus and ferry service. This assessment will be reviewed with Vallejo staff and a conclusion reached as to the recommended approach for the bus and ferry contract solicitations.

The recommended form of solicitation will then be crafted for issue to the vendor community. A full procurement process will be structured in conjunction with City staff, necessary documents will be prepared by the consulting team, and the team will manage the procurement process with City staff.

The existing procurement method is a cost plus fee basis. The result of this approach in general is that the contractor is compensated for service without regard to performance or cost control. The contractor represents the City in such things as materials and supplies procurement and labor negotiations with no consequence to the contractor. This method will be carefully evaluated for likely revision.

Alternatives to this approach include a full management and operations contract wherein the vendor is responsible for cost control in the form of a set price within which that vendor must operate. This shifts the burden for cost control to the contractor.

This task will be closely tied to Task 8: Organizational Analysis and Operating Plan. The different approaches to the contract relationship include different requirements for oversight of the vendor and enforcement of performance measures by the City. This will be detailed in the assessment of contracting approaches.

Deliverables: The team will prepare draft and final RFP documents for use by the City in soliciting contractors for the bus and ferry operations.

A schedule for this process will be developed in conjunction with City procurement officials. This will establish dates for critical milestones such as RFP release, pre-bid date, schedule for necessary addenda, receipt of proposals, and evaluation of proposals.

The first deliverable will be a complete RFP package for City distribution. The second would be a completed evaluation of proposals with final award recommendation.

Task 3. Financial Capacity Analysis

Lead: Linda Rhine

Objective

This task involves assessing the currently proposed budgets, the currently projected funding sources and potential new sources in an effort to determine the city's financial ability to fund its transit system over the next 5-10 years. The projected financial capacity will serve as one of the planning parameters guiding the service design phase of the study.

Approach

Nelson\Nygaard staff will begin by arranging a meeting involving the city's Transit Finance Manager and MTC staff to discuss the current transit budget issues and to review the current and proposed funding projections issued by the MTC. Next, we'll conduct a review of potential new funding opportunities available through the State of California, the FTA and possible private sources. We'll bring all of this information together in a Technical Memorandum describing the city's ability to fund its transit services over the next 5 to 10 years. The assessment will be based on "order of magnitude" funding estimates suitable for policy level discussions. These projections will be further refined in Task 10 below.

Deliverable: Nelson\Nygaard will prepare a Technical Memorandum describing the city's financial capacity to fund its transit system.

Task 4. Description of Existing Services

Lead: Andrew Ittigson

Objective

Task 4 is critical to the understanding and evaluation of the existing fixed route bus, ferry and dial-a-ride services, and to the development of a workable and comprehensive service plan that gets buy-in from the City Council and meets MTC's SRTP requirements.

Through extensive experience developing short-range transit plans, we have created several graphical and tabular formats that make our review of existing services meaningful and user-friendly. We will present appropriate information in tabular format for simple comparison and to provide a comprehensive picture of the Vallejo's current network. We will also prepare a detailed map showing the existing services, as well as the paratransit service area, major activity centers and the location of major transit centers or transfer locations. In addition, we will use the ridecheck data from STA to create route by route ridership maps showing boarding activity at each stop for all fixed routes.

Approach

4.1 Document and Data Review

Nelson\Nygaard staff will review existing documents, reports and policies to familiarize ourselves with past and current transportation and land use planning efforts relevant to the study. In this task, we will examine Vallejo Transit's current fixed-route, Baylink Ferry and Runabout systems. A clear understanding of land use policies, development patterns, and transportation projects will also be crucial later in the study as we begin to outline service delivery options. We are already familiar with the 2000 SRTP, having conducted this study ourselves.

Our initial review will include current data, recent studies, and plans developed by the City of Vallejo or STA, as well as any relevant documents from other entities to update our understanding of:

- Existing fixed-route, Baylink Ferry and Dial-a-Ride services
- Current and projected development projects in Vallejo
- Current and planned land use, if available
- Current connecting services

4.2 Existing Fixed Route Bus Services

We will then present a summary of all Vallejo Transit's fixed routes operated throughout the system. We will use ridecheck and survey data from STA's Countywide data collection effort. This will include a comprehensive review of the following items:

- Service area description and operation constraints
- Operating statistics
- Route by Route analysis, including service hours/days, boarding maps and Ridership/Productivity trends
- Fixed Route vehicle fleet (size and composition)
- Fares/fare media
- Transfers to other transportation providers (BART, Benicia Breeze, Fairfield Suisun Transit, etc.)
- Coordination efforts with other providers
- Relevant findings from most recent unmet needs process
- Summary of marketing information and public information

4.3 Existing Runabout Paratransit and Taxi Scrip Service

Next, we will review and summarize the dial-a-ride services that are being provided by Vallejo Transit. This includes Vallejo Transit's curb-to-curb paratransit service for seniors and persons with disabilities called Runabout and the taxi scrip program. This review will include the following:

- Customer eligibility/application process
- Operating statistics (cost per ride)

- ADA accessibility issues
- Ridership trends/available on-board survey data
- Fares
- Hours/days of operation
- Vehicle fleet (size and composition)
- Review of unmet needs process
- System map

4.4 Existing Baylink Ferry and Bus Services

Finally, we will review and summarize the ferry/bus service from Vallejo to San Francisco. This will include a comprehensive review of the following items:

- Ferry roster and bus fleet
- Operating statistics
- Fare Structure
- Service Hours and Frequency
- Ridership trends

4.5 Overview of Passenger Survey

A summary of the on-board passenger survey results will be prepared once the STA data is available. We will provide an overview of the pertinent data including origin destination information, trip purpose, passenger satisfaction, transfer information, demographics of riders, and fare information. Survey results will give us a framework for evaluating the transit services. *NN has included an Optional Task for on-board survey and ridecheck in case the data from the STA survey is unsuitable for this project. The task is at the end of the Scope of Work Section.*

4.6 Demographics Analysis and Mapping

Nelson\Nygaard will consult U.S. Census data from 2000 and work with Vallejo staff to obtain information on population and population density; income; age; employment and employment density; and land use data. We will work with planners to identify potential changes in the Vallejo Transit service area within the short-term as well as long-range developments that could impact future transit needs. Demographic data will be analyzed at either the census tract or TAZ level, or whichever is available. In addition, an evaluation will be included to give a textual overview of demographic and land use issues and trends.

4.7 Interviews with Coach Operators

Nelson\Nygaard has found that driver meetings have been productive means of gaining a front line perspective on service use, problems and opportunities. We recommend a meeting with fixed route and paratransit operators as well ferry staff. Short questionnaires will be designed to gather driver perceptions on:

1. Who is using the service – seniors, youth, persons with disabilities, or the general public?

2. What are the key destinations – busiest fixed route bus stops, transfer activity, and important paratransit destinations?
3. What are the maximum load points on the fixed route service?
4. What are the key things that the passengers tell them about service?
5. What impacts on-time performance and running times?
6. What are the service strengths and weaknesses?

4.8 Audit of Fare Collection Practices

Given the issues the City of Vallejo has experienced with fare losses on the ferry system, the consulting team will perform a general audit of the fare collection practices and fare handling procedures for the bus and ferry systems. We will trace fare handling policy and documentation from fare collection through all accounting and reporting procedures. Our goal is not to target operator error, but to identify systemic barriers to reliable fare collection.

Deliverable: Existing Conditions Report, including assessment of fare collection practices.

Task 5. Service Evaluation and Needs Assessment

Lead: Paul Jewel, Andrew Ittigson and Charlie Walther

Objective

The consulting team plans to examine the impact of core transit issues on future plans. These issues include, but are not limited to labor contracts, service patterns, changing demographics of the City (becoming more suburban) and the eventual impact of the new Benicia Bridge.

Approach

5.1 Analyze Fixed Route Bus System

Utilizing information gathered in the previous Tasks, Nelson\Nygaard will synthesize pertinent ridership and operating information, field observations and the results of public outreach and staff meetings to support a comprehensive review of the Vallejo Transit system. The fixed route service evaluation will at a minimum will cover the following:

- System overview and trends based on a ten-year past history
- Transit rolling stock, facilities and amenities
- Routes and schedules
- Labor contracts
- Ridership and productivity
- Fare structure and farebox recovery

- Operating expenses and revenues

Our analysis will include express service as well as local routes. Our efforts during this subtask will include a review of the FY2000 SRTP to identify stated goals and objectives, performance measures, service and other recommendations. We will assess whether recommendations have been implemented, delayed or warrant reconsideration in the new plan.

Lastly, we will evaluate the system's performance measures including farebox recovery ratio, schedule adherence, productivity and efficiency of the service.

5.2 Analyze Paratransit (Runabout) Service

Because Vallejo Transit is responsible under federal law to provide complementary paratransit service within the area covered by the local route network, Nelson\Nygaard believes it is useful to conduct a detailed analysis of existing paratransit ridership and operations. Our approach relies heavily on on-site observation, input from customers, drivers and other staff, and a comprehensive review of system documents, including driver manifests, dispatch logs, reservations, standing orders, service denial and complaint records, on-time performance logs, or other records as relevant. We prefer to observe dispatch center activity to enhance our understanding of the data, and to become familiar with current practices and procedures governing telephone reservations, trip assignment, and vehicle dispatching. Additionally, we will ride along with selected drivers for a first-hand look at how the service really works on the street.

During the outreach process, we will talk with key representatives of elderly and disabled residents who are eligible to use complementary paratransit services. These include senior center directors, program managers of structured employment agencies and group homes, and social service agency representatives who can speak to the issues and unmet transportation needs of paratransit eligible residents.

5.3 Analyze Baylink Ferry and Bus Service

Charlie Walther and Nelson\Nygaard will gather important information from previous tasks in order to establish a comprehensive evaluation of the Baylink ferry and bus service from Vallejo to San Francisco. We will conduct a detailed analysis of the STA ridecheck and survey results as well as public outreach with ferry riders. This information will be critical to identify service needs, trip purposes, fares, frequency of use, origin and destination data, load factors, access/egress modes and transfer activity. Operational and performance reviews will also be evaluated as part of this process.

During this subtask, we will focus on the outreach process, giving ferry riders and key representatives an opportunity to discuss issues and concerns. We plan to make this an inclusive process in order for all sides to have a better understanding of the issues.

5.4 Needs Assessment and Projections

We will use information from Tasks 1 through 5, plus a variety of other sources, as the foundation for completing an assessment of transit needs. The other sources will include Census Data and CTPP data (MTC if available), public input from outreach meetings,

projections of residential and employment growth (STA and MTC), projections of growth in student enrollment (School District), existing ridership, Population and Employment Density estimates (MTC and STA), and General Plan (City).

Using this information we will estimate potential transit demand on an annual basis for the next five and ten years. We will also create a series of GIS maps that show the existing and projected populations and their proximity to the current routes and any potential future routes (this is called establishing a “transit access” buffer zone).

Deliverable: Technical Memorandum describing the transit needs for the city and for each of the services

Task 6. Goals, Objectives, Visioning and Policies

Lead: Paul Jewel

Objective

Nelson\Nygaard will work with staff and others as necessary to update the goals, policies and objectives. We will maintain continuity by assessing existing goals and objectives in context of the events since the previous SRTP and confirm that they remain relevant for the near future and are consistent with MTC guidelines. Where necessary and appropriate, we will recommend adjustments. Similarly, updated service standards and performance measures will be recalibrated to reflect current conditions. These are crucial for monitoring system performance and assuring funding partners that transit resources are deployed wisely. In addition, a visioning workshop called the Smithville Planning Game has been included in the approach to help determine the community’s perspective on transit priorities.

Approach

6.1 Stakeholder Interviews

We’ll begin by conducting a series of one-on-one confidential stakeholder interviews to lay the groundwork and give us a more comprehensive context for this transit study. This will allow key stakeholders to speak “off the record” and will allow the interviewer to explore the mobility issues in depth. Up to ten (10) individuals will be interviewed. Most interviews will be in person. Other interviews may be completed by telephone. Prior to the interviews, we will develop a set of interview questions and review it with the Vallejo Project Manager. The interview will be designed in such a way as to solicit information, which responds to core questions, but also allows for open-ended conversation. Some of the topics to be covered are:

- Perceptions about strengths/weaknesses in the fixed-route, paratransit and ferry services
- High priority future local and regional transit needs
- Top three priorities for improving fixed route, paratransit and ferry services

- Perceptions of the transit system's public image
- Perceptions of city management of the system

6.2 Smithville Planning Game

This workshop will be built around Nelson\Nygaard's "Smithville Planning" Game process, an interactive 3-hour session involving 20-40 people. This game allows participants to see what happens to limited resources (usually daily revenue hours) as they draw out their own local transit system. We've used this game in numerous communities and it will help us and transit staff to determine the community's perspective on transit priorities, service objectives, new areas to serve and the potential need for additional service resources. Planning Game comments from previous sessions are available upon request.

Deliverable: Technical Memorandum outlining the stakeholder interviews, planning game results and recommendations for a transit vision with supporting expectations and standards

Task 7. Transit Service Plan

Lead: Paul Jewel

Objective

Building on all previous tasks, we will develop a workable and feasible Draft Transit Service Plan.

Approach

Task 7.1 Define Fixed Route Service Plan Alternatives

Our approach in defining service alternatives is to look at how existing services can be better connected and coordinated to serve the areas' needs, building upon the strengths of the existing transit network and addressing any weaknesses. We will work with staff to initially define up to three conceptual alternatives to be studied.

We anticipate these alternatives will represent different scales of service delivery. For example, one alternative might focus on productivity of the route network. Another alternative may show more extensive demand/response or flex route services that can provide service to a larger area. The alternatives will be defined by key characteristics such as service mode (fixed route, route deviation, demand response, flex-route), service level (span, frequency), and resource level (annual service hours, cost, peak buses). We will flesh a recommended structure (preferred scenario) in detail and provide maps, charts and narrative including:

- Route maps showing new routes or route alignments
- Conceptual route schedules including frequencies, service span, running times, connections and transfer times
- Alternative service delivery types, if appropriate

- Operating cost estimates in terms of annual revenue hours and miles
- Vehicle and facility requirements (bus stops, shelters, vehicle types, etc)
- Effectiveness in meeting transit service goals

In addition, the description will address various issues including increase of the coordination with surrounding jurisdictions, geographical equity, and integration with local land use plans. We will also address the plan's ability to meet growing transit needs such as the growing senior and disabled adult populations.

7.2 Complementary Paratransit Service

Our efforts will make use of data generated by the paratransit service evaluation, our survey of bus operators and information gleaned from stakeholder interviews. We will develop a ten-year complementary paratransit service plan that is compatible with the preferred fixed route plan and funding assumptions.

As with many of our clients, the City of Vallejo may be concerned about the trade-offs inherent to maintaining ADA compliance on one hand, and limiting annual operating cost increases needed to accommodate rising demand on the other. We suggest a fresh look at complementary paratransit eligibility guidelines as a means of assuring that customers who are functionally capable to ride the fixed route system do not become overly dependent on complementary service simply because it is more convenient than the regular route bus.

Our recommendations also will include contract and service related strategies for improving paratransit system capacity, reliability and convenience as necessary. Particular areas of interest include:

- Schedule adherence
- Cancellations and trip denials
- Trip grouping (scheduling efficiency)
- Trip booking, scheduling and vehicle dispatching (including software and hardware issues)
- Eligibility policies
- Cancellation and no-show policies
- Fare policies

7.3 Ferry Plan

The team will provide a service plan for the ferry operation. The plan will include:

- Estimate of annual revenue hours and ridership
- Description of service
- Estimate of annual operating costs
- Description of any specific service issues with accompanying recommendations

Task 8. Organizational Analysis and Operating Plan

Lead: Phil McGuire

Objective

Analyze the effectiveness of the current organizational structure of the transit operation in the City of Vallejo and make recommendations that will assist the City in developing the appropriate organizational structure for oversight of Bus, Paratransit and Ferry services.

Approach

The consulting team lead by Mr. McGuire will evaluate the various options for organizing the transit management function of the City of Vallejo. An assessment will be made of the decision making process for transit issues within the City structure. Recommendations will be made regarding the appropriate placement and process for transit management within the City organization. A broad range of options will be considered including leaving the existing structure in place, repositioning the transit function within City government to improve decision making, as well as other options such as creation of a separate organization responsible for transit management.

The impact of the decisions made in Task 2 (Procurement Process) will be considered in each of these structural options. The various contracting options place differing requirements on the staff for oversight. These options then have staffing implications related to overall control of the transit system and in particular the transit operating budget. As an example, the existing cost plus form of contracting should place a higher burden on the City staff for financial oversight than a full management and operations approach where the vendor is at risk for cost control. On the other hand, full vendor cost responsibility can lead to inappropriate cost cutting and other operating practices. The control of these can in turn require refined/increased operations oversight of the contracts.

Tradeoffs at the street supervision level will be discussed in the technical memo resulting from this task. This will be a general review of the issues involved in self supervision by the contractor versus a higher level of supervision by City staff. There is a cost associated with this wherever it is placed within the organization. However, the decision as to where in the structure it is located can have a dramatic impact on the quality of the program.

Through the process, the consulting team will thoroughly involve the City staff in order that the staff is fully aware of the implications on the routine functioning of the department. The consultants will ensure that the staff is prepared to implement the chosen structural option without losing either financial or operational control of the system.

Deliverable: Technical Memorandum outlining the recommended operating structure and management techniques that will result in a functioning transit program. This will include step by step guidelines for implementing proposed structural revisions.

Task 9. Bus Stop Improvement Plan

Lead: Jeff Flynn

Objective

The objective of this task is to accurately assess all bus stops in Vallejo Transit's bus system in order to ensure compliance with ADA regulations outlined in Title VI and within the context of the Bonnano v. CCCTA case.

Approach

9.1 Database Design

Nelson\Nygaard will review the current status of the City's bus stop database in order to identify key components that have been important in past inventories. A new database will be created in Microsoft Excel or Access including features from the current database but expanding it to include more accurate, geocoded location information, bus stop amenities, ADA accessibility, etc.

9.2 Data Collection

Nelson\Nygaard staff with the assistance of temporary staff will visit every Vallejo Transit bus stop, cataloging amenities, capturing geographic coordinates, and accessibility. Once all of the data has been collected it will be entered into the database.

9.3 Bus Stop Assessment

The assessment will begin with staff developing a set of bus stop criteria/targets, using information and issues linked to location, amenities, and accessibility. Once the criteria are established, the existing conditions of all bus stops will be assessed.

Deliverables: Technical Memorandum providing a comprehensive review of bus stops systemwide, including accessibility and amenities and a map showing the location of all bus stops (MS Excel or Access Database).

Task 10. Capital and Financial Plan

Lead: Linda Rhine and Paul Jewel

Objective

Nelson\Nygaard will provide a capital and financial plan that is consistent with the findings from the previous tasks. In this task, we will provide a cost effective approach and show service and capital recommendations that are affordable to the City of Vallejo.

Approach

10.1 Capital Plan

The purpose of this task is to provide integrated capital planning to support the

recommended ten-year service scenarios for fixed route, ferry and paratransit operations. Our work will include a detailed acquisition schedule for revenue and non-revenue vehicles needed to replace the existing fleet consistent with FTA minimum life cycle standards, and to support any service expansion proposed in Task 7. Additionally, we will review the need for transit center improvements, bus stop amenities, further ITS applications, and facilities and equipment that typically would be grant funded and hence require inclusion in the Regional Transportation Improvement Program. Specific recommendations will be presented in three functional areas:

- Bus and Vessel Fleet Replacement and Expansion
- Transit Centers and Bus Stop Amenities
- Facilities and Equipment

10.2 Financial Plan

This critical element of the SRTP will be conducted by Linda Rhine with interactive assistance from Paul Jewel and Andrew Ittigson to provide reasonable assurance that the service and capital improvement recommendations are affordable to Vallejo in consideration of projected operating costs and revenues, farebox receipts, capital grants and other revenues. This staffing approach not only brings senior partner experience to financial planning, but also assures consultant team objectivity in judgments as to affordability of the recommendations over a ten-year time frame.

Task 11. Draft/Final Reports and Presentation to City Council

Lead: Team

A draft final report documenting all of the work undertaken in Tasks 1 to 10 will be prepared in accordance with MTC SRTP Guidelines for review with the City of Vallejo and other appropriate bodies such as City Council and the Transportation Advisory Committee. The draft report will include a five-year Action Plan and a strategic initiative for years six and beyond.

Following review and comment from City of Vallejo staff and public input, we will prepare a final SRTP. Nelson\Nygaard will provide five (5) bound copies of the Final Report and an original copy suitable for duplication, as well as two electronic files on CD in Microsoft Word format and Acrobat Reader. We will conduct presentations and findings of the Final Report.

Project Budget

The budget for the primary scope of work is just under **\$140,000**. This includes all direct costs but NOT the optional tasks.

Project Delivery Schedule

Work can begin in mid-late March. We expect to deliver a Draft Report in early September, and to complete the entire project by late September.

Optional Task – Onboard Survey & Ridecheck

Task 1: Survey Design

Through years of experience conducting on-board surveys, we have learned to ask questions that allow us to infer a great deal about transit benefits to customers and the community. Our surveys are MTC compliant and approved. The survey will address key issues identified by staff and information including:

- **Demographic Profile:** We will collect information on income, age, gender, city or area of residence, etc.
- **Origin-Destination information:** The survey will ask passengers to identify their trip origin and destination. This will allow us to analyze passenger travel patterns and frequent trip generators.
- **Trip Purpose:** We will ask passengers to describe their trip by nature of endpoints (i.e. home to work, work to school)
- **Transfer Information:** The survey will ask riders if they transferred to the current service and if they plan on transferring.
- **Fare Category:** Passengers will be asked about the type of fare they paid.
- **Passenger Satisfaction and Additional Comments:** With the service cuts at Vallejo Transit, it is important to gauge current passenger satisfaction. There will be several questions assessing individual elements of the service as well as overall satisfaction. Passengers will have the opportunity to provide any additional comments or suggestions about the service.

Once the draft survey is completed, Nelson\Nygaard will present the draft to Vallejo Transit staff and any other requested parties for review and approval.

Task 2: Coordinate and Prepare Survey/Ridecheck Effort

Nelson\Nygaard will collect transit schedules, driver shifts, and stop data from Vallejo Transit in order to most efficiently plan and schedule the ridecheck and survey effort. A specific ridecheck sheet will be prepared for each route and surveys will be printed on card stock. Survey and ridecheck days will be proposed to staff for approval.

Nelson\Nygaard will work with staff to inform the passengers of the upcoming effort.

Task 3: Data Collection

Nelson\Nygaard will collect detailed stop level ridership data to compile route-by-route performance reports for all routes in the system including local and regional fixed route bus service and ferry service. We propose completing a ridecheck and surveying effort on one full weekday and Saturday. We can help ensure accuracy by surveying midweek (Tuesday through Thursday only) on a typical week when school is in session and redoing any runs that experience operational problems.

Nelson\Nygaard will hire local temporary workers to ride the routes and perform the surveying. Surveyors will record boardings and alightings at every stop on all routes and

trips under the direct supervision of an on-site Nelson\Nygaard ridecheck manager. In addition to passenger counts, surveyors will record arrival and departure times at timepoints along each route and offer a survey to each passenger boarding the vehicle. Data forms will be reviewed throughout the day to ensure quality control.

Temporary workers will be tested in necessary math and counting skills at a training session by Nelson\Nygaard staff before going into the field. Transit etiquette and Vallejo Transit policies will be reviewed with the temporary workers at the training session as well. Nelson\Nygaard staff will coordinate with transit staff to reserve a room to conduct the training.

Any temporary workers not meeting standards or violating Vallejo Transit policies will be immediately replaced. Any questionable work will be redone.

Task 4: Data Entry and Analysis

Nelson\Nygaard will start inputting and analyzing data as soon as it is received from the field. Temporary workers under the direct supervision of Nelson\Nygaard staff will enter the survey and ridecheck data.

A full route by route summary of ridecheck data will be completed including trip by trip ridership and boarding maps illustrating where service demand is high and where service is not being fully utilized.

Survey results will be analyzed and graphed to provide a ridership profile for the service.

Along with summarizing data, cross-tabs of the data will be used to get at the most relevant and revealing information.

Deliverable: The ridecheck and survey summary and report will be folded into the Existing Conditions Report as presented in Task 4 of the original proposal.

Schedule

This optional task can be completed during the month of April.

Budget

Nelson\Nygaard proposes a budget not to exceed **\$43,000**.

**Agenda Item No.****COUNCIL COMMUNICATION****Date:** March 6, 2007**TO:** Honorable Mayor and Members of the City Council**FROM:** Gary A. Leach, Public Works Director **SUBJECT:** APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXTEND THE CURRENT CONTRACT WITH BLUE AND GOLD FLEET FOR AN ADDITIONAL SIX MONTH PERIOD, AND AUTHORIZING THE CITY MANAGER TO EXTEND THE CONTRACT FOR TWO ADDITIONAL THREE MONTH TERMS AT HIS DISCRETION**BACKGROUND**

The City owned ferry system is currently operated by contract with Blue and Gold Fleet. The initial five year term of the contract expires on June 30, 2007. There are five additional one year options available on the current contract.

The City is currently procuring consultant services to conduct a comprehensive operational and financial analysis of the Transportation Division. The scope of work for that analysis includes analyzing the current contracts, preparing recommendations for future contracts, and developing solicitation documents for the bus fixed route and ferry operations contracts.

After a review of the timelines required for analysis of the current contracting relationships, developing solicitation and contract documents, conducting the solicitation process, and allowing the vendor the time required for ramp up to operations, staff has determined that there is not sufficient time to properly procure and begin service under a new ferry operations contract. Staff is requesting that the contractor break up the one year option term into one initial six month extension, with two optional three month extensions that could be used at the discretion of the City.

Fiscal Impact

The current operations contract terms and conditions not relating to time of performance would not be changed. The only fiscal impact occurring as a result of exercising the option is that any benefits resulting from a more beneficial contracting relationship would be postponed until the new contract is in place. Labor costs associated with the Blue and Gold Fleet contract have not been determined, but costs have generally risen at a rate of 3-4% per year.



RECOMMENDATION

Staff recommends that City Council approve a resolution authorizing the City Manager to exercise options to extend the current contract with Blue and Gold Fleet for Ferry Operations.

ENVIRONMENTAL REVIEW

Not Applicable

PROPOSED ACTION

Staff recommends that City Council approve a resolution authorizing the City Manager to exercise options to extend the current contract with Blue and Gold Fleet for Ferry Operations.

DOCUMENTS AVAILABLE FOR REVIEW

- a. A resolution authorizing the City Manager to exercise an option to extend the current contract with Blue and Gold Fleet for operation of the ferry system.
- b. Letter to Blue and Gold Fleet exercising option.

CONTACT PERSONS

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Crystal Odum Ford, Transportation Supt.
648-5241
codumford@ci.vallejo.ca.us

MARCH 6, 2007

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RESOLUTION NO. 07-_____ N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, the City of Vallejo entered into a contract on July 1, 2002 with Blue and Gold Fleet, Inc for operation of the City ferry system, and;

WHEREAS, the current contract term expires on June 30, 2007, and;

WHEREAS, the contract contains options to extend the contract under the current terms, and;

WHEREAS, both parties have agreed to break up the optional one year additional term into one six month extension and two three month options;

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby authorized to extend the current contract with Blue & Gold Fleet for an additional six month period.

BE IT FURTHER RESOLVED that the City Manager, at his sole discretion, is authorized to extend the Contract for up to two additional, three-month terms.

MARCH 6, 2007

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February 26, 2007

Mr. Taylor Safford
Blue and Gold Fleet
Pier 41, Fisherman's Warf
San Francisco, CA 94133

RE: Ferry Operations Contract Extension

Mr. Safford:

As you may be aware, the current ferry operations contract term will be expiring on June 30, 2007. Under the contract commencement and duration provisions the City is required to provide 120 days notice of how it intends to proceed at the expiration of the current term.

Staff is preparing an agenda item for consideration at the March 6, 2007 City of Vallejo City Council meeting to extend the agreement. We are currently preparing to issue a Request for Proposals to operate the ferry system in the near future, but the expected timeline will not allow for award of contract prior to expiration of the current contract. It is our intention to extend the term initially for six months, with two additional options for three month extensions. A final decision regarding this extension will be made at the Vallejo City Council meeting.

Please contact me with any questions you may have regarding this notice.

Thank you,

Crystal Odum Ford, Transportation Superintendent
codumford@ci.valljeo.ca.us 707.648-5241

Cc: Gary Leach, Director of Public Works
Carolyn Horgan, Vice President, Chief Operations Officer, Blue and Gold Fleet
Contract File




ADMIN D

Agenda Item No.

COUNCIL COMMUNICATION

Date: March 6, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH FAST FERRY MANAGEMENT, INC. FOR FERRY SERVICES OVERSIGHT, CONTRACT MONITORING, PLANNING, AND PROJECT MANAGEMENT

BACKGROUND

The City of Vallejo currently operates high speed ferry service between Vallejo and San Francisco through an operating contract with Blue and Gold Fleet. Under that contract the City of Vallejo provides capital facilities / equipment and funding to the operator who maintains the equipment and provides the labor and management necessary for operations. In September of 1999 the City entered into the current contract to monitor the Blue and Gold Fleet contract, provide for the administration and maintenance of vehicle warranty work, and perform project management for vessel and facility maintenance and infrastructure improvement projects.

As the current contract expiration date approached, staff saw a continued need for the services that were being provided, but wanted to address some specific areas with the new contract that were not fully addressed in the current contract. As the new scope of work was drafted for the RFP, staff wanted to ensure that there was no duplication of effort or responsibilities between Blue and Gold Fleet on site management and the Marine Services Manager. Staff also wanted to change the form of contract from a fixed monthly rate contract, plus hourly rates for project management tasks, to a time and materials not to exceed contract.

The alternative of letting the contract expire without replacement was also considered, and reconsidered as new staff came on board. As staff became more aware of all the capital projects (Ferry Maintenance Facility construction, dredging, engine overhauls, and ferry rehabs) as well as the need to have someone experienced in high speed ferry operations, Coast Guard regulations, and standard marine practices to oversee and monitor the operations contract with Blue and Gold Fleet, the need for a Marine Services Manager was confirmed.



In anticipation of the expiration of the current contract for these services, a Request for Proposals was issued on September 1, 2006 for Marine Services Management. Proposals were received until November 13, 2006. Two proposals, one from Fast Ferry Management, Inc. and one from MV Transportation, were received. Both proposals met the requirements of the RFP and the proposers were brought in for interviews. The current contractor, Fast Ferry Management, Inc., receive the highest scores (criteria: cost/fees, relevant experience, qualifications, and interview) from the Technical Review Committee (TRC) and is recommended for award by the TRC.

Fiscal Impact

The proposed Not to Exceed contract price of \$143,712 falls well within the amount budgeted for the service (\$250,000) this year, and the proposed hourly rate of \$100 per hour is considered fair and reasonable by staff.

RECOMMENDATION

Staff recommends that the City Council approve a resolution authorizing the City Manager to execute a contract with Fast Ferry Management, Inc., for Marine Services Management in an amount Not To Exceed \$143,712.

ENVIRONMENTAL REVIEW

Not Applicable

PROPOSED ACTION

Approval of a Resolution authorizing the City Manager to execute a contract with Fast Ferry Management, Inc., for Marine Services Management in an amount Not to Exceed \$143,712.

DOCUMENTS AVAILABLE FOR REVIEW

- a. A resolution authorizing the City Manager to execute a contract with Fast Ferry Management, Inc., in an amount Not to Exceed \$143,712 to provide Marine Services Management for the City of Vallejo Ferry System.
- b. Consultant Services Agreement with Fast Ferry Management, Inc.



CONTACT PERSONS

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Crystal Odum Ford, Transportation Superintendent
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MARCH 6, 2007
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RESOLUTION NO. 07-_____ N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, on September 1, 2006, a Request for Proposals (RFP) was conducted to solicit proposals from qualified firms to provide Marine Services Management for the City of Vallejo Ferry System; and

WHEREAS, two qualified firms responded with proposals and staff held interviews with the qualified firms; and

WHEREAS, staff is recommending that the City enter into an agreement with Fast Ferry Management, Inc., for one year, with the option for five additional years, at a negotiated not to exceed price of \$143,712.00, to provide Marine Services Management for the City of Vallejo Ferry System; and

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Vallejo does hereby authorize the City Manager to execute a consultant services agreement, in substantially the form as attached to the Staff Report, subject to any minor, technical or clarifying changes as may be approved by the City Manager and City Attorney, with Fast Ferry Management, Inc. for one year, with the option for five additional years, at a negotiated price Not to Exceed \$143,712.00, to provide Marine Services Management for the City of Vallejo Ferry System.

MARCH 6, 2007

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ADMIN E

Agenda Item No.

COUNCIL COMMUNICATION

Date: March 6, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Joseph M. Tanner, City Manager

SUBJECT: Consideration of a Resolution Authorizing the City Manager or a Representative to Solicit Donations to Fund the Annual Fourth of July Parade and Celebration.

BACKGROUND AND DISCUSSION

The Vallejo Chamber of Commerce has managed the Fourth of July parade and related activities for many years; they plan the theme and marketing, receive and record parade entries, manage dozens of volunteers and vendors and coordinate the parade and celebration on event day. The proper planning and management of this event requires hundreds of hours of staff time in addition to marketing, supply and parade set-up costs.

During the budget process for Fiscal Year 2003/2004, the City Council approved funding for two City-sponsored events annually -- the Fourth of July celebration being one of those. We traditionally provided no more than \$5,000 annually to the Chamber for this celebration in addition to labor and equipment in planning assistance. Both the Public Works and the Police Departments perform a wide variety of functions each year which totaled approximately \$19,000 in 2006. We anticipate this cost would increase annually.

This year the Chamber is requesting \$40,000 from the City to manage and market the event. A summary of costs is attached for review.

RECOMMENDATION

Because of the City's current budget constraints, it would be my recommendation to solicit donations from local businesses and outside organizations rather than charge this expenditure to the General Fund. The City would continue to provide services from the Public Works and Police Departments.

ACTION TO BE TAKEN

Approve a resolution authorizing the City Manager or a representative to solicit funds from local businesses and outside organizations for the Fourth of July Parade and deny the approval of a \$40,000 expenditure from the General Fund at this time.

DOCUMENTS AVAILABLE FOR REVIEW

- a. Resolution authorizing the City Manager or a representative to solicit funds not to exceed \$40,000 for the costs associated with the Vallejo Chamber of Commerce planning and managing the Fourth of July Parade and Celebration for 2007.
- b. Vallejo Chamber of Commerce Fourth of July Event Proposal.

March 6, 2007

Public/ai/cm/July4thParadeFunds2007

RESOLUTION NO. 06-

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, the City has annually contributed to the Fourth of July Parade and Celebration with both funding as well as labor and equipment from various departments; and

WHEREAS, this year the Vallejo Chamber of Commerce is requesting \$40,000 for the planning and marketing of the Fourth of July event, and

WHEREAS, because the City is experiencing a budget shortfall, it is staff's recommendation to solicit funds and deny the approval of the charge to the General Fund with the requested amount at this time.

NOW, THEREFORE, BE IT RESOLVED, that the Vallejo City Council hereby approve and authorize the City Manager or a representative to solicit donations from local businesses and outside organizations to fund the \$40,000 requested by the Vallejo Chamber of Commerce for the 2007 Fourth of July Parade and Celebration.

March 6, 2007
July4thParadeFunds2007



427 York Street, Vallejo, CA 94590

**2007 Fourth of July Parade and Celebration
Event Proposal**

Submitted December 18, 2006

4th of July Staffing

January to April	Parade Planning	100 hours
May - June	Parade Planning	300 hours
July	Pre-Parade Preparation	60 hours
	Parade Day	40 hours
	Post-Parade Follow-Up	20 hours
Total Hours		520 hours
Billing Rate (Average of Staff Time)		\$20/hour
Overhead Rate		\$20/hour
Total Staff/Overhead Costs		\$20,800
Associated Management Costs (Includes Marketing, Advertising, Equipment Rental, Judges Fees, Awards, Supplies, etc.)		\$19,200
Cost to Manage Event		\$40,000



ADMIN F

Agenda Item No.

COUNCIL COMMUNICATION

Date: March 6, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Robert W. Nichelini, Chief of Police *RWN*

SUBJECT: Consolidation of Police Substations

BACKGROUND

The Police Department's Community Services Division currently leases privately owned office space to house three Police Substations located at 1638 Fairgrounds Drive, 300 Sonoma Boulevard, and 250 Georgia Street. **The Department can save \$86,724 annually by consolidating substation operations and Youth Services Division activities into the City-owned building recently vacated by the Vallejo Chamber of Commerce at 2 Florida Street.** There will be no reduction in police service delivery.

DISCUSSION

The substations originally were established to provide additional Police Department office space and to permit better access to the Department for persons living or working in North and South Vallejo. The Georgia Street Station was opened to further project police presence in the Downtown area. However, due to budget reductions and staffing limitations the substations are now only open to the public a few hours each week. Additionally, on-line reporting and other technical advancements have drastically limited the need for citizens to transact police business in person. Field officers are not deployed from the substations and all investigative activity takes place at the Main Police Station on Amador Street. The substations are basically "store-fronts" with limited use and capability.

The lease payments for the three locations currently total \$86,724 annually, including \$2,100 per month in rent and common area fees for the substation located in the Fairgrounds Plaza; \$420 per month for the substation located on Sonoma Boulevard; and \$4,707 for the Georgia Street Station. The Police Department incurs additional operating expenses at these facilities (e.g. telecom expenses). These leases are on month to month tenancies and future lease and

occupancy costs would increase if new leases are negotiated.

Consolidation of all substations' activities at one location will be operationally and administratively more efficient by permitting shared use of our limited clerical staff and an enhanced ability for officers to share information and work together on neighborhood problems City-wide.

The former "Chamber" building at 2 Florida Street, with an estimated maximum \$200,000 in modification costs (e.g. fiber line to building, compliance with ADA requirements, bathroom modifications to meet code requirements), provides a suitable location for consolidating Community Services and Youth Services Division activities. These costs would be funded with budget authority for City Hall improvements in the approved FY 2006-07 budget. Lease payments will be eliminated and other savings will result from a reduction in telephone service, data transmission and office equipment lease/service payments. The building modification costs would be paid back in lease savings after approximately two years of occupancy of 2 Florida Street. **The money saved may help prevent further reductions in the Department's ability to prevent crime and respond to citizens' calls for service.**

Economic Development Division staff recently solicited lease proposals for 2 Florida Street and received no formal lease proposals for the property.

All of the substation leases will be terminated no later than June 1, 2007. It is anticipated that 2 Florida Street will be fully functioning with police functions by July 1, 2007.

RECOMMENDATION

None. Information item only.

ALTERNATIVES CONSIDERED

Continue paying rent for three substations. This alternative does not provide any reduction in costs and would likely result in increased rent and related occupancy costs.

ENVIRONMENTAL REVIEW

Not applicable.

PROPOSED ACTION

None. Information item only.

DOCUMENTS ATTACHED

None.

CONTACT PERSON

PREPARED BY: Captain JoAnn West, Vallejo Police Department
(707) 648-4516 e-mail: jwest@ci.vallejo.ca.us

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