

Meeting Date: 4/30/2013

Report Type: Consent

Report ID: 2013-00335



Title: Agreement: East End Garage Parking

Location: 16th Street and Capitol Avenue/Council District 4

Issue: The current parking agreement which allows the City to operate a state parking facility within the East End Complex will expire in June, and both the State of California and the City of Sacramento desire to renew the agreement.

Recommendation: Pass a Motion authorizing the City Manager or the City Manager's designee to execute an agreement with the State for the City to operate the State's parking garage at the East End Complex for a period of two years with two, two-year options to extend.

Contact: Matt Eierman, Operations General Supervisor (916) 808-5849; Howard Chan, Parking Services Manager (916) 808-7488; Department of Public Works

Presenter: None

Department: Public Works Department

Division: Off-Street Parking Admin

Dept ID: 15001211

Attachments:

1-Description/Analysis

2-Background

3-Agreement

City Attorney Review

Approved as to Form
Gerald Hicks
4/19/2013 8:44:34 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
4/15/2013 1:18:21 PM

Approvals/Acknowledgements

Department Director or Designee: Jerry Way - 4/18/2013 1:53:28 PM



Description/Analysis

Issue: On June 21, 2007, the State of California and City of Sacramento entered into City Agreement 2007-0627 whereby the City operates the State's parking garage located in the East End Complex at 16th Street and Capitol Avenue. Pursuant to the agreement, City staff operates the garage during evenings and weekends to provide additional parking spaces that serve the Midtown art and entertainment area. This agreement is due to expire in June and both parties desire to enter into a new agreement based on the same terms and conditions.

Policy Considerations: This action fulfills recommendations of The Sacramento Central City Parking Master Plan.

Environmental Considerations:

California Environmental Quality Act (CEQA): This project is exempt from the CEQA under Section 15301, "Operation of existing public structures or facilities involving no expansion of use."

Sustainability Considerations: This action supports the City of Sacramento's sustainability goals to improve and optimize the transportation infrastructure.

Other: None

Commission/Committee Action: None

Rationale for Recommendation: Among the City Council approved goals and objectives of the Central City Parking Master Plan, actively seeking out opportunities to increase publicly available parking supply citywide was high on the priority list. One of the most cost-efficient ways to accomplish this goal is to leverage the use of existing parking supply through partnerships with other public or private property owners. From a land use perspective, this agreement with the State of California is the ideal model for how shared-use parking should be implemented. In the East End Garage there are approximately 600 off-street parking spaces that are fully utilized during the work week by State employees but these were virtually unused and unavailable to the public at large during nights and weekends. In addition, the State's parking garage is located in the heart of the Midtown arts and entertainment district where parking demand is high. Through this partnership with the State, the City is able to introduce almost 600 parking spaces to the public during nights and weekends at a fraction of the cost it would take to build a new parking facility.

Financial Considerations: All revenue collected by the City will be used to offset its operational expenses. Any surplus revenue remaining will be used to reimburse the City for its marketing and capital improvements. If net revenue remains after reimbursement of the above expenses, the City will retain a management fee of \$1,000 per month. Any net revenue remaining after payment of the management fee will be split evenly between the State and the City. During Fiscal Year 2011/12, the City collected over \$35,000 in gross sales, with total operating expenses of approximately \$85,000. While the City has incurred initial losses due to its operation of the

garage, staff expects the City's liability to be reduced over the next several years as utilization of the garage continues to increase. In addition, the public benefit derived from this partnership with the State far outweighs the expense of funding an entirely new parking facility. Terms of the agreement provide for the reimbursement of the City's initial investment in the parking operation.

All revenue and expenditures related to off-street parking facilities, including the East End Complex, occur in the Parking Fund (6004).

Emerging Small Business Development (ESBD): There are no ESBD considerations contemplated with the requested action.



Background Information

The East End complex was completed in 2003. The East End parking garage is located at the corner of 16th Street and Capitol Avenue and contains almost 600 parking spaces that are used by State employees during weekday hours.

Utilization of existing sources of parking was one of the recommendations of the Central City Parking Master Plan. To support the increasing demand of the growing Midtown arts and entertainment district, the City entered into an agreement with the State to manage the parking garage at the State's East End Complex during evening and weekends when those parking space were virtually unused. This partnership to provide this additional source of parking was unanimously supported by numerous stakeholders including: The Midtown Business Association, midtown residents, former State Senator Deborah Ortiz, the State's Department of General Services, City Councilmember Steve Cohn, City Planning, Police and Code Enforcement departments.

During FY12, almost 14,000 vehicles parked in the East End garage during the City's operation schedule.



AGREEMENT NUMBER
REGISTRATION NUMBER

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

STATE AGENCY'S NAME

Department of General Services – Real Estate Services Division, Building & Property Management

CONTRACTOR'S NAME

City of Sacramento

2. The term of this Agreement is:

Two (2) years with two (2), two-year options to extend.

3. The maximum amount of this Agreement is:

See Exhibit B

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

EAST END COMPLEX (053)

**1615 Capitol Avenue, Sacramento, CA 95814
 After Hours Parking Management Services**

Exhibit A – Scope of Work	10 pages
Exhibit B – Budget Detail and Payment Provisions, Cost Sheet	1 page
Exhibit C* – General Terms and Conditions	GTC 306
Exhibit D – Additional Provisions	1 page
Exhibit E – City of Sacramento Illness and Injury Prevention Program	14 pages

Item shown with an Asterisk (), is hereby incorporated by reference and made part of this Agreement as if attached hereto.
 These documents can be viewed at www.ols.dgs.ca.gov/Standard+Language*

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

CONTRACTOR		California Department of General Services Use Only
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.) City of Sacramento		
BY (Authorized Signature) 	DATE SIGNED(Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Jerry Way, Director of Public Works		
ADDRESS 300 Richards Blvd., 2nd Floor, Sacramento, CA 95811		
STATE OF CALIFORNIA (State)		
AGENCY NAME Department of General Services, Real Estate Services Division Building and Property Management Branch		
BY (Authorized Signature) 	DATE SIGNED(Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Maria Flores, Assistant Chief		
ADDRESS 1304 O Street Sacramento, CA 95814		
		<input type="checkbox"/> Exempt per:

EXHIBIT A

SCOPE OF WORK
STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
REAL ESTATE SERVICES DIVISION

BUILDING AND PROPERTY MANAGEMENT
PARKING MANAGEMENT SERVICES
EAST END COMPLEX (053)

1615 CAPITOL AVENUE, SACRAMENTO, SACRAMENTO COUNTY, CA 95814

CONTRACTOR AGREES TO PROVIDE:

1. Contractor shall manage, supervise, collect public parking fees, provide materials and supplies, and provide necessary qualified personnel to operate the parking facility located at the East End Complex, 1615 Capitol Avenue, in Sacramento, California. Contractor shall provide staffing employed by the City of Sacramento (no contract employees will be allowed) for a one-person booth in the parking facility. The parking facility is state-owned, and the above-ground portion of the facility will be utilized for public parking. The Contractor will offer public parking at an hourly rate or pre-pay rate to be determined upon written mutual agreement between the State and the Contractor. No checks shall be accepted for payment of daily parking. Contractor shall ensure a safe and secure environment each day during the below referenced Hours of Operation for patrons and guests of the garage structure.
2. The Contractor shall provide uniformed attendants during the hours shown in Paragraph 3 below. The Contractor's attendants shall report all parking related violations identified within the facility to the facility's Building and Property Management Branch staff who have the ultimate responsibility for building security.

The Contractor will coordinate attendant communication with the Building and Property Management Branch staff being the "In Charge" property representative.

3. East End Complex Parking Facility

- 5-story garage, approximately 590 spaces of the total 1,396 spaces to be available for the public.
- Hours of operation - weekday evenings, all day Saturdays and Sundays, 365 days per year as follows:
 - Monday thru Friday 4:00 p.m. – 2:00 a.m.
 - Saturday 10:00 a.m. – 2:00 a.m.
 - Sunday 10:00 a.m. – 12:00 Midnight
- Contractor's staff shall arrive prior to 4:00 p.m. to allow a smooth transition between daily parking operations handled by the State and after-hours parking operations handled by the Contractor. State parking attendants will leave promptly at 4:00 p.m. daily.
- Contractor shall give the State priority to use the garage for special after-hours occasions (Example: Governor's Inaugural Party at the Sacramento Convention Center) with 24-hour prior notice from State to the Contractor.
- Public Parking Rate – \$2.00 Flat Rate (Rates are subject to change upon mutual written agreement between the State and the Contractor).
- Operating days are as above including the designated holidays for State employees. The days of operation, hours listed above and holidays listed below are subject to change upon mutual written agreement between the State and the Contractor.

New Year's Day, Martin Luther King Day, President's Day, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving day, the day after Thanksgiving Day, and Christmas Day.

4. The Contractor shall pay all direct operating expenses incurred by it when due, including telephone services in the kiosk, preparing and filing any and all Federal and State tax returns, and paying all labor taxes, plus all Workers Compensation insurance premiums. The Contractor is responsible for supplying the public parking tickets or coupon books.

Contractor shall work with the State in developing the language that will appear on the public parking tickets, including but not limited to: The name and address of the facility, Not Responsible for Loss/Damage/Theft, No Overnight Parking (if vehicle is left after 2:00 a.m., it is subject to tow), Cash Only – No Checks Accepted. Public parking tickets must be prominently displayed either on the dashboard or hung from the rear-view mirror to allow the Contractor's attendants and State personnel to clearly distinguish between after-hours public parkers and State employee monthly parkers. Contractor shall employ only trained, courteous and uniformed personnel and to replace any employee upon the State's reasonable request.

5. The Contractor may use any existing parking equipment belonging to the State, including gates, card readers, traffic controls, control stations, bumpers, posts, chain, portable control booths, time clocks, utility services, signs. Contractor shall exercise reasonable care while utilizing State equipment and all improvements associated with the parking garage. Any damage to State equipment or improvements due to the Contractor's negligence will be remedied by Contractor at their sole cost and expense. An inventory of the State's equipment shall be made, on a daily basis, prior to Contractor assuming control of the facility and after returning it to the State for the daytime operations. The Contractor is responsible for having all inventoried items accounted for and in the same condition it was received, reasonable wear and tear excepted.
6. The Contractor shall pay for and maintain all State approved capital improvements, signage, upkeep of existing parking equipment and marketing expenses pertaining to the overall improvement and operation of the parking garage. Revenue earned from the operation of the State's parking facility shall be used to reimburse Contractor for the above expenses as described in Exhibit B, including all accrued expenses incurred under the prior agreement, (City Agreement #2007-0627). Should revenues be insufficient to reimburse/offset operational expenses, there shall be no payment required from the State and the Contractor agrees to cover all costs required by Contractor under this contract during that period of time. All improvements which the State and Contractor mutually agree to add to the garage become the property of the State immediately after installation. Should this Agreement be terminated by either party prior to the Contractor collecting enough parking revenue to be reimbursed for its investment in improvements, the State agrees to pay Contractor for all costs that were not recaptured by the Contractor over a mutually agreed to period of time by the Contractor and the State.
7. Up to eight (8) hours of training may be required on the various hardware systems used at the facility which shall be at the sole cost of the Contractor.
8. The Contractor shall be responsible for collecting all public parking revenues, billings and collecting accounts receivable for the time of Contractor's use. All such income from public parking revenues, without deduction or offset, shall be deposited in the Contractor's account. Contractor will pay State an amount of revenue per the terms described in Exhibit B.

9. Contractor shall keep full and accurate records of all revenues and operating expenses, including all required employee records, all of which are to be made available to the State upon its request at Contractor's main office during normal business hours upon reasonable notice. The State may audit the Contractor's books of account for the Facility at any time and agrees to audit at its expense the Contractor's books within 60 days after the end of each of the State's fiscal years.
10. If the books of account for the facility are in error by more than two (2) percent to the detriment of the State, the reasonable cost of said audit will be paid by the Contractor at its sole expense.

Should any audit disclose that there are funds due from either party to the other, said funds shall be due and payable within twenty (20) business days after the disclosure.

- a. All public revenues shall be reported via a Monthly Summary Management Report from the Contractor, as well as the following reports from the fee computer:
 1. Copies of the Daily Lane Reports
 2. Year-to-Date Lane Report
 3. Cash Report
 4. Entry/Exit Report
- b. The Monthly Management Reports will be mailed to the following address no later than the 10th of every month, for the preceding month:

State of California
Department of General Services
Building and Property Management Branch
Attn: Office Building Manager
1615 Capitol Avenue, Suite 74.149
Sacramento, CA 95814

- c. Public parking revenue shall be supported by used parking tickets or coupon books that have been serialized and printed with the name and address of the facility. The used parking tickets and coupons will be kept by the Contractor for a period of three (3) years from the date of termination of the contract.
 - d. Any damage claim found to be caused by Contractor's negligence shall be resolved by the Contractor at the Contractor's sole expense, within 90 days.
 - e. Contractor shall reimburse the State for any losses that may occur as the result of employee theft. The Contractor shall not knowingly employ or keep in its employ, for purposes of conducting operations under this Agreement, any individual who has been convicted in a court of competent jurisdiction of theft or misappropriating funds.
11. With the State's prior written approval, and at the Contractor's expense, the Contractor may install additional signs, posts and chains, etc. for the purpose of allocating or controlling space usage or traffic flow. Such items shall be State property and accounted for in accordance with Item 6 above.
 12. Contractor shall follow the current **Standard Operating Procedures Manual (attached hereto)** specifying the operating procedures to be followed by the Contractor for operating parking facilities. The State may include additional operating procedures to be incorporated in the manual, together with any subsequent changes or revisions shall be approved in

writing by the Department of General Services, Building and Property Management Branch, Office Building Manager or his/her designated representative.

The operating procedures contained herein are hereby incorporated into and included as part of this Agreement. Contractor shall operate the facility in compliance with the provision of the operating procedures or to gain the DGS, BPM, Office Building Manager's or designated representative's written approval of alternative procedures. The manual shall be kept up-to-date at all times and pertinent parts shall be provided to the Contractor's employees.

13. Contractor reserves the right to refuse service to any specific individual who refuses or fails to comply with said rules. Contractor shall advise the State of any such incident. If the person affected appeals the decision to the Department of General Services, the DGS, Building and Property Management Branch, Office Building Manager shall review the situation and make the final decision.
14. Contractor shall comply with all rules, ordinances and regulations established by the governmental bodies having jurisdiction over the operation of the facility, and to pay for and obtain all necessary permits, bonds, and licenses for their operation. The Contractor provides an Illness and Injury Prevention Program, in compliance with the California Code of Regulations (CCR), Title 8, Section 3203 and the California Labor Code 6401.7, a copy of which is attached as Exhibit E.
15. All contacts by the Contractor regarding this contract shall be with the DGS Building and Property Management Branch, Office Building Manager.
16. Contractor shall, in the manner and method of operating the facility, assure the highest degree and standards of courtesy, politeness, conduct and demeanor on the part of its officers, agents, employees, and representatives and, shall at all times during the term of this Agreement, comply with the following conditions and requirements:
 - a. Contractor shall conduct its operations in a manner so as not to annoy, disturb, or be offensive to customers or other users of the facility.
 - b. Contractor shall select and appoint a parking supervisor whose responsibility shall be the supervision of the contract work as this is not considered to be a responsibility of the State of California. The Contractor and contract supervisor responsible for the management and directing the work to be performed under this contract, shall possess at least three years of recent satisfactory (within the past five years) experience in the management of parking operations of the approximate size or larger, than the parking facility to be operated under this contract. Any person filling this position must have prior written State approval. Such person must be a highly qualified, experienced, and successful supervisor of parking facilities, vested with full power and authority with respect to the method and manner of operating the facility. The supervisor shall be available upon 30 minutes notice. At all times during his absence a designated subordinate shall be in charge of the parking operation and available upon 30 minutes notice.
 - c. Contractor shall control the conduct, demeanor, and appearance of its officers, agents, employees, and representatives. Attendants while on duty shall wear uniforms with clearly visible and readable name tags which shall at all times be maintained in a neat and clean condition. The uniforms and nametags shall be approved by the Regional Manager.

- d. Contractor shall train all personnel staff to render a high degree of courteous and efficient service, and it shall be the responsibility of the Contractor to maintain close supervision over such personnel to assure a high standard of service to customers.

Upon objection by the Regional Manager to the conduct, demeanor, or appearance of such personnel, the Contractor shall immediately take all steps necessary to correct the conduct, demeanor, or appearance which is the cause of the objection.

- e. All supervisor and operational personnel must be able to speak, read, and write English, apply written rules, follow oral and written instructions. Both new and replacement supervisors must meet these qualification standards. Prior to the commencement of this agreement, the Contractor shall submit a **Key Personnel Resume**, which shall include the name, telephone number and address of the Contract Manager and on-site Supervisor. In addition, the Key Personnel Resume shall include a 24-hour emergency number and contact person in case it becomes necessary to contact the Contractor.

17. The following expenses are the sole responsibility of the State and shall not be reflected in the Contractor's operating budget or monthly operating statement:

- a. Maintaining the premises in good order and repair, including asphalt repairs and striping, and gardening or landscaping services.
- b. Any physical lot improvements or modifications.
- c. Lighting, water, electric, modification or repair to the facility.
- d. Facility and State-owned equipment maintenance, repair, or replacement.
- e. Real estate taxes and assessments.
- f. Interest and/or principal payments on mortgages or capital investments for land, equipment or improvements.
- g. The California Highway Patrol (CHP) may patrol the facility intermittently.

18. The term of the Agreement shall be for two (2) years, commencing on the effective date of this Agreement. The Contractor is entitled to two (2) – 2-year options to extend the Agreement at the State's sole discretion, by providing a written notice of extension to the State not less than 180 days prior to the expiration of the Initial Term or 180 days prior to expiration of the first Extended Term.

19. Contractor shall provide equipment, materials, facilities, or support services that could not feasibly be provided by the State in the location and during the hours where the services are performed. The services contracted for are specialized and the Contractor has the experience, knowledge, and ability to effectively market and manage after-hours parking operations.

The Contractor is a third party institution dealing directly with customers about parking issues and giving recommendations to the State regarding items such as operations, systems, safety, and security. The Contractor's employees are trained in security, theft prevention, and liability claim prevention. The Contractor provides a parking supervisor in charge of the entire operation and takes the responsibility for after-hours operation.

20. Contractor shall post all contract related questions with the Department of General Services, Building and Property Management Branch, Office Building Manager. The

Contractor shall incur any monetary loss that occurs due to any verbal or written correspondence with anybody other than the primary contact. After the contract is approved by DGS/Office of Legal Services, please contact the Department of General Services, Building and Property Management Branch, Office Building Manager at 916-445-3700, or his/her designated representative.

STANDARD OPERATING PROCEDURES MANUAL

STATE OF CALIFORNIA PARKING FACILITIES

A. Introduction

By the terms of the Agreement, the Contractor shall operate Lot 43, a state parking facility located at 1615 Capitol Avenue, in Sacramento, CA. The day-to-day operations, including the collection of parking fees, will be accomplished to make available to State employees and the public, a first-rate parking service.

The Contractor is responsible for collecting parking fees and for operating effectively and efficiently in accordance with the Agreement and this Standard Operating Procedures Manual.

The Contractor shall provide a qualified parking supervisor to oversee the operation and assure complete compliance with the Agreement. The parking supervisor shall be available upon thirty (30) minutes notice during regular business hours.

The Standard Operating Procedures Manual contains minimum operating standards and procedures that the state requires the Contractor to meet. These standards and procedures are subject to change at the discretion of the parking program administrator or designated representative.

The following is a **partial list** of the parking equipment for the State parking facility located at 1615 Capitol Avenue, Sacramento, CA. Prior to the commencement of this Agreement, the Contractor and the DGS, BPM, Office Building Manager, or his/her designated representative, shall verify in writing, the full equipment list.

Description	Model	Quantity
Automatic parking gate including gate arm		
Magnetic stripe ticket dispenser		
Fee computer with double cash drawer		
Magnetic ticket reader/validator		
Remote fee display		
Proximity card reader with pedestal		
Dual channel self tuning vehicle detector		
Ten station intercom master station		
Intercom sub-station		
Lane status lights		
'Full' sign		
Laser printer		

B. Personnel

The Contractor shall provide the necessary staffing to maintain the level of parking service required by the State. As a minimum, the Contractor shall employ the following:

1. Parking Supervisor

A parking supervisor shall be in charge of and be responsible for the entire parking operation. The Parking Supervisor shall follow the directives of the Parking Program Coordinator or designated representative. The parking supervisor shall not serve as a booth attendant/cashier except in emergency situations.

2. **Booth Attendants/Cashiers**

Contractor is to provide the number of booth attendants/cashiers necessary to effectively operate the facility during the established hours of operation. The booth attendants/cashiers shall be fully trained and knowledgeable concerning operating policies and procedures.

3. **Uniforms**

Contractor shall provide uniforms to all parking employees. All booth attendants/cashiers must wear uniforms at all times while on duty. Uniforms that are soiled, stained, torn, disheveled or in any way unsightly, shall be replaced.

4. **Identification Badges**

Contractor shall provide laminated identification badges for all employees with the following information prominently displayed to allow easy identification:

- a) Employee name
- b) Company name

Employees shall wear identification badges in plain sight at all times while on duty.

The Contractor's personnel must be clean and neat and shall deal with customers in a prompt, polite, and businesslike manner. All personnel of the Contractor will comply with the Contractor's general rules for employee conduct.

5. **Lost Tickets**

Accuracy of Lost Ticket Reports and the parking fees obtained are the responsibility of the Contractor.

Charges will be calculated from the time the Facility opened until the exit time. If the customer claims equipment malfunction, and this malfunction can be documented, the customer will be charged based upon when he states he entered the Facility and such information shall be noted on the Lost Ticket Report.

The Lost Ticket Report shall be completed for all lost ticket transactions and will be considered a "Miscellaneous" ticket to be reviewed by the Contractor. Lost Ticket Reports not filled out completely or correctly shall be cause for disciplinary action.

6. **Money Disputes**

Contractor is responsible for all monetary transactions relating to the parking operation during periods of its responsibility as stated herein. Disputes shall be handled by the Contractor's parking supervisor and will not involve the DGS, Building Managers Office (BPM) personnel except as a last resort, and then only during the BPM's regular business hours. The California Highway Patrol will be called only in the event of physical confrontation. Should a dispute not be resolved, the customer must pay the disputed charge and write a letter to the City of Sacramento, Parking Unit, 921 10th Street, Sacramento, CA 95814, describing the circumstances and the reasons for disputing the charge.

7. **Monthly Customers (State Employees) Only -- Cardkey required upon Entry**

If a monthly customer does not have his cardkey, he must pull a ticket and pay the going rate. If he changes his mind about parking in the Facility, the customer has a five (5) minute grace period to exit the facility without being charged. This five-minute grace period shall also apply to public parkers.

State employees with cardkey access to the garage shall have unlimited access to the garage and shall not be charged if they have their cardkey to gain entry into the garage. A list of all

State employees and the license numbers of their vehicle(s) shall be provided to the Contractor. Contractor agrees to check list prior to authorizing any vehicle to be towed to ensure no State employees are inadvertently towed. Contractor agrees to reimburse any State employee towing fees should the vehicle of the State employee listed on the State parking list be towed in error.

8. Keys

Contractor will exercise extreme care to assure that access to keys to the booth is restricted only to those personnel needing the keys to properly perform their duties.

9. Parking Booth

- a. It is the responsibility of all employees to keep the parking booth clean and orderly.
- b. Absolutely no writing or marking on any part of the booth.
- c. Televisions are not allowed in the booth.
- d. Visitors are not allowed in the booth.
- e. If you notice any person loitering around your area, notify the California Highway Patrol immediately.
- f. Employees are not allowed to leave the parking booth without receiving permission and relief from their supervisor. The booth shall never be left unattended.
- g. In case of any accident involving the parking booth or the parking garage entrance/exit equipment, notify the Sacramento Police Department, California Highway Patrol and Parking Unit immediately and then the EEC Central Security Room. Obtain all necessary information, such as; car license number, driver's license number, name, address, phone number, type of car, witnesses. Also, make a detailed report of the accident and mail a copy to the Parking Unit.

10. Parking Equipment Repair

Contractor shall immediately telephone the BPM for repair of any State-owned equipment.

11. Ticket Spitter Outage

- a. Contractor shall assign an employee to manually issue tickets using the following procedures:
 - i. The BPM will be notified immediately.
 - ii. Before issuing tickets by hand, note the time, date, "power out" and your initials on the first ticket in the stack that will be voided.
 - iii. Raise the gate arm.
 - iv. Write the time legibly on each ticket issued manually and initial.
- b. All power outages requiring manual procedures shall be described in the Daily Log. A brief narrative of the time frame, procedures followed and number of tickets processed or issued shall be forwarded to the contract administrator or designated representative within

24 hours. This narrative should contain any additional information or recommendations that may be helpful in analyzing the problem or improving procedures.

**EXHIBIT B
COST SHEET**

**PARKING MANAGEMENT SERVICES
EAST END COMPLEX (053)
BPM-292**

Compensation and Fee Schedule

Operating, Marketing and Capital Improvement Expenses

1. Beginning the effective date of this agreement, all revenue collected by Contractor under the preceding guidelines will be used by the Contractor to offset its operational expenses.
2. Any surplus revenue remaining after reimbursement of Operational expenses as described in Section 1 above, will be used by Contractor as reimbursement for all marketing materials and promotional expenses Contractor has incurred in its operation of this parking facility.
3. Any surplus revenue remaining after the reimbursements described in sections 1 and 2 above, will be used by Contractor as reimbursement for all capital improvement expenditures Contractor deems necessary to improve the operation and increase usage of the garage, including, but not limited to the following:
 - a. Signage and way-finding materials
 - b. Pedestrian and vehicular access to the facility
4. Should revenues be insufficient to reimburse/offset operational expenses, there will be no payment required from the State and the Contractor agrees to cover all costs required by Contractor under this contract during that period of time.

Management Fee: If net revenue is earned after reimbursement of all Operating, Marketing and Capital Improvement expenses described in above, Contractor will retain a management fee of \$1,000 per month. Annually, beginning on the first annual anniversary of the effective date of this agreement, the Management Fee will increase at a percentage rate equal to the Consumer Price Index (CPI) for the San Francisco, Oakland and San Jose Metropolitan Area for All Urban Consumer (CPI-U), All Items (1982-84=100), published by the United States Department of Labor, Bureau of Labor Statistics.

Revenue Split:

Any net revenue remaining after payment of the Management Fee will be split evenly between the State and Contractor.

EXHIBIT C

GENERAL TERMS AND CONDITIONS (GTC 306)

PLEASE NOTE: This page will not be included with the final agreement. The General Terms and Conditions will be included in the agreement by reference to Internet site:
<http://www.ols.dgs.ca.gov/Standard+Language>.

**EXHIBIT D
ADDITIONAL PROVISIONS**

1. **EXCISE TAX:** The State of California is exempt from Federal Excise Taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this agreement. California may pay any applicable sales or use tax imposed by another state.
2. **SETTLEMENT OF DISPUTES:** In the event of a dispute, between Contractor and the State, the Contractor shall file a "Notice of Dispute" with Department of General Services, director or designee within ten (10) days of discovery of the problem. Within ten (10) days the director or designee shall meet with the Contractor and Project Manager for purposes of resolving the dispute. The decision of the director or designee shall be final. In the event of a dispute, the language contained within this agreement shall prevail over any other language including that of the bid proposal.
3. **AGENCY LIABILITY:** The Contractor warrants by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.
4. **POTENTIAL SUBCONTRACTORS:** Nothing contained in this Agreement or otherwise shall create any contractual relation between the State and any Subcontractors, and no subcontract shall relieve the Contractor of its responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its Subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its Subcontractors is an independent obligation. As a result, the State shall have no obligation to pay or enforce the payment of any moneys to any Subcontractor.
5. **RIGHT TO TERMINATE:** The State reserves the right to terminate this agreement subject to 30 days written notice to the Contractor. Contractor may submit a written request to terminate this agreement only if the State should substantially fail to perform its responsibilities as provided herein. However, the agreement can be immediately terminated for cause. The term "for cause" shall mean that the Contractor or State fails to meet the terms, conditions, and/or responsibilities of the contract. In this instance, the contract termination shall be effective as of the date indicated on the Contractor's or State's notification to the Contractor.

This agreement may be suspended or cancelled without notice, at the option of the Contractor, if the Contractor or State's premises or equipment are destroyed by fire or other catastrophe, or so substantially damaged that it is impractical to continue service, or in the event the Contractor is unable to render service as a result of any action by any governmental authority.

INSURANCE: State acknowledges that the City of Sacramento is a self-insured public entity. The City of Sacramento shall provide a letter of self-insurance stating that the City of Sacramento's self-insurance program adequately protects against liabilities and claims arising out of the performance of this agreement. This must be reviewed and approved by the DGS' Office of Risk and Insurance Management.

Failure to provide evidence of self-insurance as required in this agreement is a material breach of contract and is grounds for termination of the agreement.