



# CITY OF SACRAMENTO

## DEPARTMENT OF PARKS AND COMMUNITY SERVICES

ROBERT P. THOMAS  
Director

G. ERLING LINGGI  
Assistant Director

CROCKER ART MUSEUM DIVISION  
GOLF DIVISION  
METROPOLITAN ARTS DIVISION  
MUSEUM AND HISTORY DIVISION  
RECREATION DIVISION  
PARKS DIVISION  
ZOO DIVISION

August 1, 1986

Budget and Finance Committee  
Sacramento, California

Honorable Members in Session:

SUBJECT: Sacramento Science Center and Junior Museum Joint City-County Operational Plan

### SUMMARY

This report provides information on the Sacramento Science Center and Junior Museum and presents a joint City-County operational plan, to be effective September 1, 1986, for Council approval. An operational agreement is necessary. This report further requests an FY 1986-87 budget appropriation of \$193,934 for the operation and maintenance of the Sacramento Science Center and Junior Museum and a budget amendment to add 4.2 FTE personnel positions to the Department of Parks and Community Services for Science Center operations.

### BACKGROUND INFORMATION

The Sacramento Science Center and Junior Museum (SSCJM) has operated as a nonprofit organization for 35 years. The Science Center, which is located in Del Paso Park near the City/County boundary, is the sole facility in the Sacramento valley with the primary purpose of enhancing and promoting scientific education opportunities. Over 140,000 people visit the Sacramento Science Center and Junior Museum each year. The Sacramento Bee recently listed the Science Center second only to the State Capitol in popularity for facilities visited by school children. The Science Center contracts with five Sacramento school districts to provide science programming on a regular basis and provides services to additional schools as requested. A total of 300 area schools representing over 127,907 children have been served through the Center's school visitation and outreach programs during the 1985-86 year to date. (See Attachment A.)

The Sacramento Science Center and Junior Museum has earned a national reputation and has co-hosted the Western Conference of Museums.

Over the last several years, funding for the Sacramento Science Center and Junior Museum has become increasingly unstable. The absence of a constant fund base has required the Center to channel staff, board and volunteer efforts towards fundraising activities to the extent whereby it has become difficult to concentrate on fulfilling the Center's primary mission of providing educational services to the community.

The Sacramento Science Center and Junior Museum's present lease of the site from the City commenced in August 1974. This lease is for a 50 year term with an annual rent of \$10.

It is proposed that the Sacramento Science Center and Junior Museum become a joint City/County facility. It is recommended that the Center be under the auspices of the Museum and History Division. This is appropriate in that the Museum and History Division is a joint City/County operation, funded by and responsible to both the City Council and the County Board of Supervisors. The appointed Museum and History Commission, which currently advises both the City Council and the Board of Supervisors on policy items relating to the History Center, will likewise serve as the Council's and the Board's advisory body regarding Science Center policy matters.

It is proposed that base funding for maintenance and operations be provided equally by the City and the County. The Science Center and Junior Museum shall provide all program support at a level equal to the total of the City/County contribution. In the event the Science Center provides a level of support which is less than the combined City/County contribution, then the City and County shall have the option of (1) terminating the operational agreement, or (2) reducing their respective budgeted amount to an amount equal to one half of Science Center's contribution. The Science Center and Junior Museum is assisted and advised by their nonprofit support organization, the Science Center Guild. This arrangement whereby a nonprofit support organization provides all program support and serves an advisory function to the Department of Parks and Community Services, who in turn fund the operational costs, has proved successful at both the Sacramento Zoo and Crocker Art Museum. These partnerships between the City and a nonprofit support organization have allowed these educational and cultural facilities to expand their provisions of services to the community (Attachment B). The success of such arrangements can be attributed to the fact that the primary role and expertise of the City is in the area of facility management and operations, while the primary role of the Department's nonprofit support organizations is in the area of promotion and marketing activities and educational services. Further, organizational theory states that the most efficient organizations are those that have one person responsible for the operation. In order to assure unity of command, reduce the possibility of duplicating services and be more cost effective, the proposed organization for the Science Center places a single person in charge who will report to the Director until the transition of the Center into the Museum and History Division is complete. Further, the proposal meshes together nonprofit employees with City employees.

This model has been extremely successful at both the Zoo and the Crocker Art Museum. Insofar as the proposed operation of the Science Center is patterned after the Zoo and Crocker, the Science Center can be expected to experience a similar growth in the provision of educational and cultural services to the citizens of Sacramento. As a catalyst for science education in the Sacramento area, the Science Center plays a unique and vital role. Many high-technology industries have targeted Sacramento as their future home, requiring a group of people prepared with the skills for jobs in the age of technology. Simultaneously, funding for education has been reduced and new ways to meet educational needs must be developed. The County of Sacramento has recognized the benefits afforded the community by the Science Center and has consistently supported the Science Delta, the Center's ten-year plan. The Science Delta Plan was developed to promote community-wide scientific and technological literacy by forming a partnership of schools, community groups, business, industry and government.

City staff and Science Center board members have cooperatively developed a model of operations which is consistent with the public-private partnership concept. The proposed organization as outlined in Attachment C strengthens this partnership. Towards this end, an operational agreement between the City and the Science Center (Attachment D) is proposed with the following major provisions:

1. The City shall be responsible for the management of the facility, including personnel supervision, financial planning, hours of operation and cost of admissions; janitorial and security services, interior and exterior maintenance; utilities and facility insurance. The Science Center Supervisor, a management employee, shall be appointed by the City Manager.
2. The Science Center shall provide, at their own expense, all supplies, equipment, staff equipment and fixtures necessary for programming of the facility. The Science Center shall provide all programming, including exhibits, merchandising, marketing and promotions, and shall provide \$1 million general liability insurance and \$1 million workers compensation insurance.
3. The Science Center shall annually provide for expenditures of an amount no less than the combined City/County annual allocation. Should the Science Center appropriate a lesser amount, then the City may terminate this agreement or the City and County may reduce their respective budgeted amount proportionately.
4. The City shall collect and deposit with the City all admission fees. Revenue collected annually shall offset the General Fund contribution equally of the City and County.

5. The Science Center shall collect all revenue from gift shop sales and shall pay to City 4% of gross receipts. Revenue collected annually shall offset the General Fund contribution equally of the City and County.
6. The Science Center shall transfer title of Center assets, property, equipment and fixtures to City at the time of execution of the agreement. Science Center shall retain ownership of collections, exhibits, and program materials and equipment.
7. The term of the agreement is for 20 years, a decrease of 30 years from the 50 years of the Science Center's current lease with the City.

#### STAFFING PLAN AND BUDGET APPROPRIATION

An overview of the staffing plan (Attachment E) and specific recommendation areas is briefly described below and immediately followed by a budget review.

##### Operations and Maintenance

###### 1. Salaries and Benefits

Total City staff costs necessary to manage the Science Center for one year are estimated at \$115,496. These positions are augmented by Science Center staff estimated to cost \$216,140 per year.

###### 2. Services and Supplies

Costs in this category are estimated at \$78,438 and include utilities, janitorial and office supplies and other maintenance equipment typical of a facility operation.

The total allocation necessary to operate the Science Center is estimated at \$193,934. Attachment E provides a detailed breakdown of this projection. It is proposed that this cost be equally shared by the City and the County via a budget appropriation of \$96,967 from both governmental bodies. All operational and maintenance costs will be incurred by the City and not the Science Center. Consequently, a budget appropriation of the full \$193,934 from the City's General Fund is proposed. This appropriation will be offset by the County's proposed allocation of \$96,967 to be reimbursed to the City. The County of Sacramento has a history of appropriating funds for Science Center operations from the T.O. tax. The County's FY 1985-86 appropriation to the Science Center was \$50,000. A proposal for a budget appropriation of \$96,967 from the County's Transient Occupancy Tax will be presented to the Board of Supervisors at their August 18, 1986 meeting. In the event the County does not approve this joint City-County operational plan and level of funding, the report to the City Council shall be withdrawn.

Revenue Projections

In keeping with the Department of Parks and Community Services' goal of increasing the level of self-sufficiency of its educational and cultural facilities, efforts will be made to increase the Science Center's revenue generating abilities. It is estimated that the Science Center admissions will generate approximately \$40,000 per year and revenue to the City from Science Center gift sales will generate an additional \$1,200 per year for a total annual revenue projection of \$41,200. At the end of the budget year, based upon admissions and gift shop revenue, the actual City/County appropriation will be adjusted. If \$41,200 is collected, a projection based on historical revenue, the actual General Fund appropriation by the City and County will be \$76,367 each.

The following table provides an overview of the budget requirements. Supporting data is provided in referenced attachments.

Projected Revenue/Expenditure Comparison

Projected Budget - 1986-87

Expenditure Projection

	<u>City/County*</u>	<u>Science Center**</u>
1. Salaries and Benefits	\$115,496	\$216,140
2. Services and Supplies	<u>78,438</u>	<u>97,660</u>
Total:	\$193,934	\$313,800

\* Refer to Attachments E and F

\*\* Refer to Attachment G

Revenue Projection

<u>City/County</u>		<u>Science Center</u>	
1. City funds	\$ 96,967	1. Fundraising	\$ 50,000
2. County funds	96,967	2. Membership	70,000
3. Admissions	[40,000]	3. Gift sales	28,800
4. 4% of gift sales	<u>[ 1,200]</u>	4. Programs	70,500
Total:	\$152,734	5. School support	47,000
		6. Other	<u>47,500</u>
		Total:	\$313,800

FINANCIAL DATA

In order to implement the joint City/County operational plan of the Sacramento Science Center and Junior Museum, it is necessary to appropriate \$193,934 in FY 1986-87 in the Museum and History Division budget to staff and operate the Center. This appropriation will be offset by a \$96,967 reimbursement from the

County of Sacramento, resulting in a net City appropriation of \$96,967. This appropriation will further be offset by admissions and gift sales revenue, estimated at \$41,200, at the end of the budget year, one half of which will be used to offset the City contribution. It is estimated that the adjusted FY 1986-87 City appropriation to the Sacramento Science Center will be \$76,367.

RECOMMENDATION

It is recommended that the Budget and Finance Committee approve this report and refer it to the full City Council for action. Further, it is recommended that the City Council approve, by resolution:

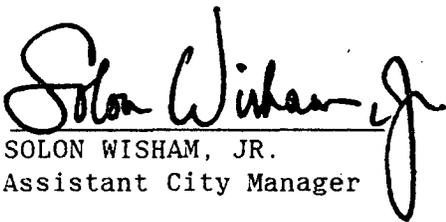
1. The management and operational agreement for the Sacramento Science Center and Junior Museum.
2. A budget appropriation of \$193,934 for the operation and maintenance of the Science Center.
3. A budget amendment to increase the number of Museum and History Division personnel positions to provide staffing for Science Center management and operations.

Respectfully submitted,



ROBERT P. THOMAS, Director  
Parks and Community Services

Recommendation Approved:



SOLON WISHAM, JR.  
Assistant City Manager

RPT:ja

August 14, 1986  
All Districts

# RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

## RESOLUTION RELATING TO THE SACRAMENTO SCIENCE CENTER AND JUNIOR MUSEUM

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. That the City Manager is hereby authorized and directed to execute an agreement with the Sacramento Science Center and Junior Museum for the management and operations of the Sacramento Science Center and Junior Museum.
2. That the FY 1986-87 operating budget for the Department of Parks and Community Services (Museum and History Division) is hereby increased by appropriating \$193,934 to the Museum and History Division budget 1-01-4654 for the purpose of providing operating funds for the Sacramento Science Center and Junior Museum.
3. That the FY 1986-87 operating budget for the Department of Parks and Community Services is hereby amended by adding the following positions to the Museum and History Division, organization number 4654:

<u>FTE</u>	<u>Classification</u>
1.0	Science Center Supervisor
1.0	Chief Security and Maintenance
1.2	Animal Keeper
1.0	Typist Clerk II

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

ATTACHMENT A

School Services by Sacramento Science Center

A. Schools

Sacramento County

<u>District</u>	<u>Schools Served</u>	<u>Schools Considering Services</u>
Center	3	3
Del Paso Heights	5	5
Elk Grove	21	27
Elverta	1	2
Folsom-Cordova	14	24
Grant (junior and senior high only)	1	13
Natomas	3	3
North Sacramento	10	10
Rio Linda	18	18
Robla	5	5
Sacramento City	45	73
San Juan	<u>64</u>	<u>75</u>
	190	258
Preschools	30	
Private schools	<u>35</u>	
Sacramento County Total	255	
El Dorado County	8	
Nevada County	4	
Placer County	13	
Yolo County	10	
Others	<u>10</u>	
Total Schools Served	300	

B. Students

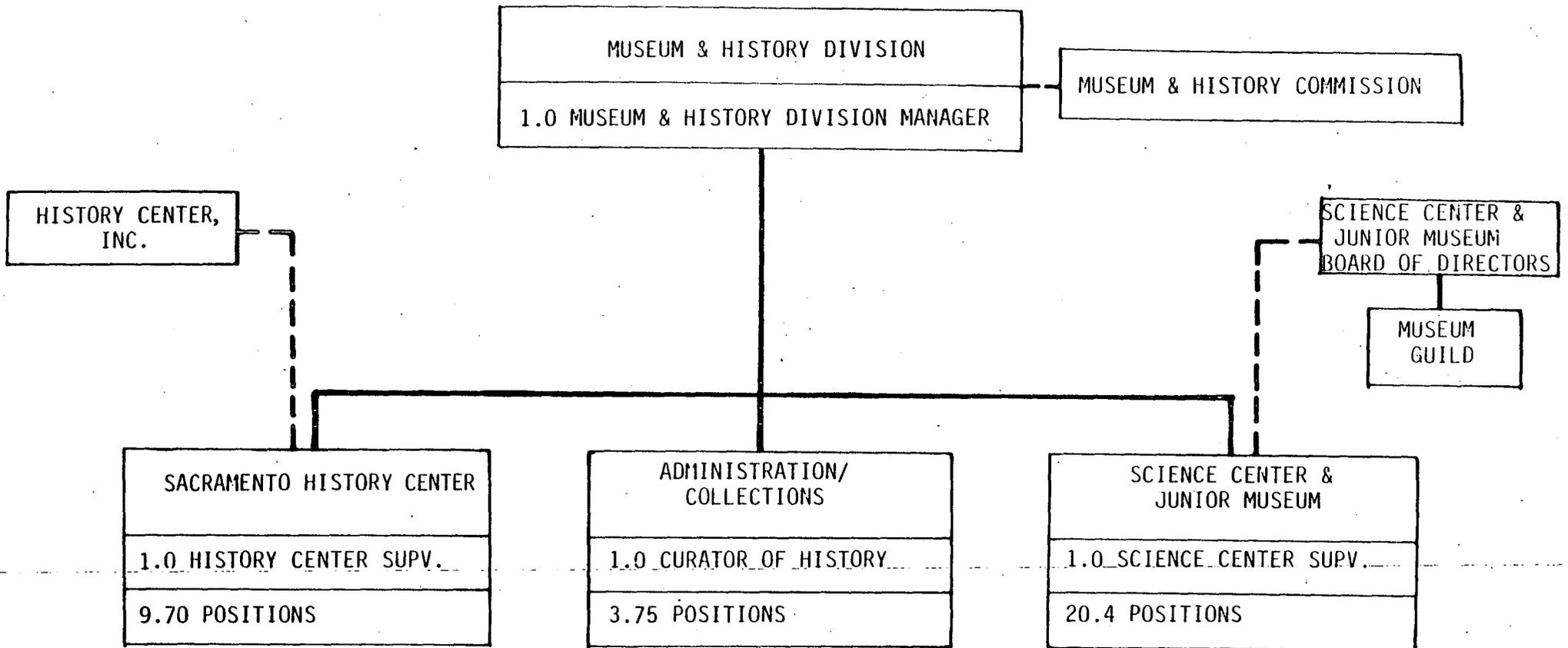
On-site	75,314
Off-site	<u>52,593</u>
Total Students Served	127,907

C. Teachers

Resource loans	3,311
Teacher workshops	20 (average attendance = 20 teachers per workshop)

## ATTACHMENT B

	<u>Attendance</u>				
	<u>FY 81-82</u>	<u>FY 82-83</u>	<u>FY 83-84</u>	<u>FY 84-85</u>	<u>FY 85-86</u>
Sacramento Zoo	294,512	332,509	440,923	471,952	472,000
Crocker Art Museum	77,045	100,683	81,775	122,183	110,000
	<u>Budget</u>				
<u>Sacramento Zoo</u>	<u>FY 81-82</u>	<u>FY 82-83</u>	<u>FY 83-84</u>	<u>FY 84-85</u>	<u>FY 85-86</u>
General Fund appropriation	\$618,000	\$644,000	\$729,000	\$762,000	\$1,025,000
Revenue	<u>353,812</u>	<u>397,035</u>	<u>471,000</u>	<u>556,395</u>	<u>673,000</u>
Net City support	264,188	246,965	258,000	205,605	352,000
Zoological Society support	<u>5,000</u>	<u>50,000</u>	<u>101,286</u>	<u>165,400'</u>	<u>204,838</u>
Net Support:	\$269,188	\$296,965	\$359,286	\$371,005	\$ 556,838
<u>Crocker Art Museum</u>	<u>FY 81-82</u>	<u>FY 82-83</u>	<u>FY 83-84</u>	<u>FY 84-85</u>	<u>FY 85-86</u>
General Fund appropriation	\$416,000	\$357,000	\$414,000	\$491,000	\$524,000
Revenue	<u>32,756</u>	<u>34,998</u>	<u>28,450</u>	<u>36,500</u>	<u>42,000</u>
Net City support	383,244	352,002	385,550	454,500	482,000
Crocker Art Museum Association support	<u>417,364</u>	<u>531,412</u>	<u>491,738</u>	<u>513,410</u>	<u>478,000</u>
Net Support:	\$800,608	\$883,414	\$877,288	\$967,910	\$960,000
	<u>Staffing</u>				
	<u>FY 81-82</u>	<u>FY 82-83</u>	<u>FY 83-84</u>	<u>FY 84-85</u>	<u>FY 85-86</u>
Sacramento Zoo (FTE)					
City staff	22.58	21.17	21.17	22.17	25.17
Zoological Society staff	<u>-0-</u>	<u>.50</u>	<u>3.00</u>	<u>20.50</u>	<u>20.50</u>
Total:	22.58	21.67	24.17	42.67	45.67
Crocker Art Museum (FTE)					
City staff	13.00	11.00	11.00	12.00	12.00
CAMA	<u>4.00</u>	<u>4.00</u>	<u>6.00</u>	<u>6.00</u>	<u>10.22</u>
Total:	17.00	15.00	17.00	18.00	22.22



AGREEMENT

This agreement is made as of \_\_\_\_\_, 19 \_\_, by and between the City of Sacramento, a municipal corporation ("City"), and the Sacramento Science Center and Junior Museum, Inc., a California nonprofit corporation ("Science Center").

WHEREAS, City and Science Center heretofore entered into a lease relating to certain premises known as the Sacramento Science Center and Junior Museum, which lease is dated as of August 20, 1974, and from time to time has been amended;

WHEREAS, the Science Center has requested that the Sacramento Science Center and Junior Museum be jointly operated by the City and County of Sacramento and the Sacramento Science Center and Junior Museum, Inc.

WHEREAS, this partnership between the City, County, and Science Center will assure a better level of service to the community;

NOW, THEREFORE, IT IS AGREED:

Section 1. Term. The term of this agreement shall be 20 years commencing July 1, 1986, and ending June 30, 2006, unless sooner terminated as set forth in this agreement.

Section 2. Termination of Prior Lease. The parties hereto mutually agree to terminate the lease dated August 20, 1974, effective upon execution of this agreement.

Section 3. City Provided Services and Facilities.

a. City shall provide the premises indicated on Exhibit A which is attached hereto and by incorporation are made a part hereof.

b. City shall provide the furnishings and equipment described on Exhibit B which is attached hereto and by reference incorporated herein.

c. City shall be responsible for the management of the facility including, but not limited to, hiring and supervision of City staff, supervision of Science Center staff and volunteers, and financial planning within budget parameters adopted by and in cooperation with Science Center Board.

d. City shall provide interior and exterior maintenance, janitorial, and security services for the facility. The level of services provided shall be at City's discretion.

e. City shall provide a City funded position responsible for the management of the facility. City shall consult Science Center Board prior to appointment.

f. City shall provide indirect supervision from the Director of Parks and Community Services, or his designee.

g. City shall set, after consultation with Science Center, admission fees and operational hours for the facility.

h. City shall provide an annual operating budget sufficient to manage the facility to be determined by the City Council and County Board of Supervisors annually.

i. City shall pay all operating costs including, but not limited to:

- (1) City staff
- (2) Facility Insurance (City may elect to self-insure)
- (3) Utilities
- (4) Telephone Expenses

(5) Maintenance of Facility and grounds including all-persons nature trail

(6) Garbage and Refuse

(7) Feeding and Care of Animal Collection

(8) Veterinary Care

City shall not pay for any of the Science Center provided services and facilities described in Section 4.

j. City shall, at its cost and expense, keep and maintain the leased premises and all improvements thereon and all facilities appurtenant thereto in good order and repair and safe condition, and the whole of the leased premises, improvements, and landscaping in a clean, sanitary, orderly, and attractive condition. Landscaping shall be in keeping with the environmental setting of the Science Center open space. Standards for maintenance of the landscaping and all grounds (both developed and undeveloped) of the leased premises shall be equal to or better than the standards employed by the City of Sacramento's Department of Parks and Community Services for city parks which they maintain.

k. Said museum and educational center shall be operated and maintained by the City only as a nonprofit activity.

Section 4. Science Center Provided Services and Facilities

a. Science Center shall provide the equipment and furnishings indicated on Exhibit C which is attached hereto and by incorporation are made a part hereof.

b. Science Center shall pay for all insurance coverage required under Section 13.

c. Science Center shall provide, at their own expense, all supplies, equipment, staff, and fixtures necessary for the programming of the facility.

d. Science Center shall provide an adopted annual budget by October first of each year. The program budget shall provide for expenditures of an amount no less than the combined total amount budgeted for the Science Center by the City and the County for the fiscal year which commenced the preceding July 1st. Should the Science Center appropriate a lesser amount, then City may at their option terminate this agreement or City and County may at their option reduce their respective budgeted amount to an amount equal to one half Science Center's contribution.

e. Science Center shall provide program support for the operation of the center as a museum and educational center for the sciences. Science Center shall be responsible for operations of the programs and gift shop including, but not limited to:

- (1) Staffing
- (2) Inventory and merchandising. Science Center shall provide a cash register receipt to each gift shop customer setting forth the full amount of sale
- (3) Provision and upkeep of library and other informational materials
- (4) Provision and upkeep of all-person nature trail signage
- (5) Provision of a continuous museum exhibit including live animals, physical science displays, a spacearium, and diverse science and environmental exhibits
- (6) Conducting individual, group, youth, family, adult, and school tours of the Science Center and Museum
- (7) Provision of science and environmental educational outreach services to schools, community groups, and neighborhood centers

(8) Conducting educational field trips and excursions for members of the community

(9) Provision of technical assistance including curriculum development and teacher workshops to City and County schools

(10) Co-sponsorship of local, state, and national science education programs

(11) Marketing and promotions of all center programs and activities.

f. Science Center may conduct fund-raising activities which are in direct support of the museum and educational center.

g. Science Center shall not engage in any other business or activity at said premises not authorized under this agreement without the prior written consent of the Director.

Section 5. City Revenue. City shall collect and deposit with the City all admission fees. Science Center shall collect and remit to City four percent of gross receipts for gift shop sales. Science Center shall make payment thereof to the City's Revenue Division, Room 104, City Hall, 915 I Street, Sacramento, California 95814, on or before the twentieth (20th) day of each month or the receipts received the preceding month. A late charge of five percent of the amount due shall be added to any amount which is not received by the City's Revenue Division on or before the date due.

Section 6. Science Center Revenue. Science Center shall collect and deposit in their account all program fees, fund raising revenue, membership fees, gifts/donations, planetarium fees, and gift shop sales minus four percent of gross receipts. In the event Science Center conducts a fund raising

activity which includes an admission fee, Science Center and City shall agree as to the disposition of the admission fees.

Section 7. Gross Receipts Defined.

a. The term "gross receipts" as used in this agreement is defined to be all money, cash, receipts, receivables, assets, property, or other things of value including, but not limited to, the entire price charged for all merchandise sold and services provided whether or not payment is made at the time of sale.

b. There shall be deducted from said gross receipts only the following:

1) Sales and excise taxes applicable thereto, required to be collected by the Science Center, his agents, or employees.

2) Federal, state, municipal, or other taxes collected from the consumers; but the amount of such taxes shall be shown on the books and records elsewhere herein required to be kept and maintained.

3) Sums refunded on a sale previously included in gross receipts.

Section 8. Maintenance and Inspection of Records.

a. Science Center shall, at all times during the term of this agreement and for a period of three years thereafter, keep true, accurate, and complete financial records and accounts of its operations of the Science Center and such other financial or business records as may be required by the Director or authorized City representatives. The Director or authorized City representatives shall have the right at all times to examine and audit said records and accounts.

b. Science Center further agrees to furnish to the Director, within twenty (20) days of the end of each monthly period, a report detailing all

gross receipts derived from each and every revenue source including the program and gift shop operations for that period.

c. Science Center shall furnish to the City's Department of Parks and Community Services a copy of each and every sales tax return submitted to the State Board of Equalization during the term of this agreement no later than thirty (30) days after filing dates established by the state. Science Center shall also furnish a copy of each and every correspondence between Science Center and the State Board of Equalization during the term of this agreement within thirty (30) days after the mailing.

d. Science Center shall obtain and install cash registers or other accounting equipment acceptable to the Director, through which Science Center shall record all gross sales from the operation of the program and gift shop (and no others). Such machines shall be non-resetable and shall supply an accurate recording of all sales on tape and a receipt for each transaction. Such equipment shall have a customer display which is visible to the public. Science Center shall make such cash register tapes available to the Director on request. In addition, Science Center shall provide City, upon request, with any other records bearing in any way upon the operation of the program and gift shop operations to assist City in determining the amount of gross receipts.

e. City shall provide Science Center with a monthly financial report of program operations.

Section 9. Ownership.

a. The Science Center shall retain ownership of collections, exhibits, program material, program equipment, library inventory, and store inventory as described in Exhibit C. The Science Center shall retain ownership

of material and equipment acquired by Science Center during term of this agreement.

b. The Center shall at the time of execution of this agreement, transfer title to City of those assets, property, office equipment, office furniture, and store equipment described in Exhibit B. The City shall retain ownership of material and equipment acquired by City during term of this agreement.

Section 10. Taxes and Assessments. Science Center shall pay, before delinquency, all lawful taxes, assessments, fees, or charges which at any time may be levied by the State of California, County of Sacramento, City, or any tax or assessment levying body upon any interest in this contract, or any possessory right which Science Center may have in or to premises covered hereby or improvements thereon by reason of his use or otherwise, as well as all taxes, assessments, fees, licenses, and charges on goods, merchandise, fixtures, appliances, equipment owned or used by him in or about said premises. If the County of Sacramento determines that this agreement creates a possessory interest subject to property taxation, Science Center shall be subject to payment of property taxes levied on the possessory interest by the County of Sacramento.

Section 11. Indemnity and Hold Harmless. Science Center shall assume the defense of, and indemnify and save harmless, the City, its officers, employees, and agents, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, and expenses of every type and description to which any or all of them may be subjected, by reason of, or resulting from directly or indirectly, the performance of this agreement by Science Center whether within or without the scope of this agreement, whether

or not it is caused in part by a party indemnified hereunder. The foregoing shall include, but not be limited to, any attorney fees reasonably incurred by City.

Section 12. Indemnity and Hold Harmless. City shall assume the defense of, and indemnify and save harmless, the Center, its officers, employees, and agents, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, and expenses of every type and description to which any or all of them may be subjected, by reason of, or resulting from directly or indirectly, the performance of this agreement by City whether within or without the scope of this agreement, whether or not it is caused in part by a party indemnified hereunder. The foregoing shall include, but not be limited to, any attorney fees reasonably incurred by Center.

Section 13. Insurance. During the term of this agreement, Science Center shall maintain in full force and effect, at his own cost and expense, the following insurance coverage:

a. Workers' Compensation. Full Workers' Compensation Insurance and Employer's Liability policy, or provide evidence of ability to undertake self-insurance. Workers' Compensation in compliance with California Statutes and Employer's Liability coverage of at least \$1,000,000 per occurrence. In the event the Science Center is self-insured, he shall furnish a Certificate of Permission to Self-Insure by the Department of Industrial Relations Administration of Self-Insurance, Sacramento, and evidence of at least \$1,000,000 per occurrence excess Workers' Compensation limit combined with the Self-Insurance, Sacramento, and evidence of at least \$1,000,000 per occurrence excess Workers' Compensation limit combined with the Self-Insurance Retention.

b. General Liability Insurance. The Science Center must provide sufficient broad coverage to include:

Comprehensive Auto and General Liability Insurance  
Broad Form Property Damage Liability  
Personal Injury Liability  
Products and Completed Operation Liability  
Contractual Liability  
Liquor Liability

The amount of the policy shall not be less than One Million Dollars (\$1,000,000.00), Single Limit Per Occurrence, issued by an admitted insurer or insurers as defined by the California Insurance Code, providing that the City of Sacramento, its officers, employees, and agents are to be named as "Additional Insureds" under the policy, and the policy shall stipulate that this insurance will operate as Primary Insurance and that no other insurance effected by the City or other Named Insured will be called on to contribute to a loss covered thereunder.

c. Property Insurance. The Science Center shall provide property insurance coverage for all assets of which it retains ownership including collections and exhibits.

d. Certificate of Insurance. The Science Center will have the City's standard Certificate of Insurance completed and filed with the City's Risk Management Division, 5730 24th Street, Sacramento, California 95822, within fifteen (15) days of the execution of this agreement and prior to engaging in any operation or activity set forth in this agreement. Said policies shall provide that no cancellation, change in coverage, or expiration by the insurance company or the insured shall occur during the term of this agreement without thirty (30) day's written notice to the City prior to the effective date of such cancellation or change in coverage.

Section 14. Equal Rights.

a. Science Center agrees that he shall not make any discrimination, distinction, or restriction on account of sex, color, race, religion, ancestry, or national origin contrary to the provisions of Section 51 of the Civil Code of the State of California which is incorporated herein by reference as if set forth hereat in full. Upon a final determination by a court of competent jurisdiction that the Science Center has violated said section, this agreement may, at City's option, be deemed forfeited.

Section 15. Non-Discrimination.

a. The Science Center shall not discriminate in the employment of persons because of race, color, national origin or ancestry, religion, sex, handicap, or age of such person.

b. Science Center shall make a concerted effort to employ a work force which is representative of the minority population of the City of Sacramento. Science Center shall meet the Director of Parks and Community Services, or his designated representative, within fifteen (15) days after the execution of this agreement and shall, within ninety (90) days after the said execution, complete preparation of a plan to achieve a fully integrated work force, said plan to be acceptable to the Director of Parks and Community Services. City hereby furnishes Science Center with data from the 1980 Census relating to percentages of minority populations within the City of Sacramento (Exhibit E). The goals established in the plan Science Center shall not be construed as "quotas" but are goals which Science Center will make a good faith effort to achieve. In the development of said plan, the Science Center and Director of Parks and Community Services shall be guided by the U.S. Government standards and policies referred to in Presidential Executive Order No. 11246

adopted by the Office of Federal Contract Compliance and set forth in the Federal Register, Volume 35, Page 2586, February 5, 1970.

Science Center shall furnish a complete list of all employees designating their ethnicity to Department of Parks and Community Services, 1231 I Street, Suite 400, Sacramento, California 95814, twice a calendar year. Said report shall be furnished no later than twenty (20) days after December 31st of each year for the previous six calendar months.

City may terminate this agreement for failure by the Science Center to demonstrate, without good cause as determined by the City Council, compliance with or substantial progress toward the goals set forth in Science Center's approved plan. Prior to any such termination, City shall give Science Center a notice of non-compliance and a sixty (60) day period thereafter within which to make progress, satisfactory to the City Council, toward compliance with the approved plan.

Section 16. Removal of Property Upon Agreement Termination. Upon the expiration of the term hereof, or sooner termination of this agreement as provided for, Science Center shall within thirty (30) days of any cancellation or other termination, remove, at his own expense, his own furniture, furnishings, equipment, inventory, and trade fixtures. It is agreed that City, or City's assignee, during said thirty (30) day period, shall have the first right to purchase the furniture, furnishings, equipment, and trade fixtures of Science Center for the same price that Science Center would be willing to sell said goods to any other person. Should Science Center fail to remove said items within said thirty (30) day period, he shall lose all right, title, and interest in and to said items, and City may elect to keep same upon the demised premises or to sell, remove, or demolish them.

Section 17. Arbitration. Arbitration may be required only for matters for which arbitration is mentioned in this agreement. For other matters, the party served with notice of arbitration may reject the notice by failing to respond to it, by giving notice of rejection, or by taking action inconsistent with arbitration. Except as provided to the contrary in these provisions on arbitration, the arbitration shall be in conformity with and subject to provisions of the California Code of Civil Procedures relating to arbitration as they stand amended at the time of the notice.

Section 18. Severability. The invalidity or illegality of any provisions shall not affect the remainder of this agreement.

Section 19. Notices. All notices and orders that may be given under this agreement may be served by first class mail or in person to City at Department of Parks and Community Services, 1231 I Street, Suite 400, Sacramento, California 95814, and to Science Center at 3615 Auburn Boulevard, Sacramento, California 95821, or such address as either may provide to the other in writing. Service shall be deemed complete upon deposit in the mail or upon delivery.

Section 20. Attorney's Fees. In the event either party hereto shall commence any legal action or proceeding including an action for declaratory relief against the other by reason of the alleged failure of the other to perform or keep any term, covenant, or condition of this agreement by him to be performed or kept, the party prevailing in said action or proceeding shall be entitled to recover, in addition to other relief as may be granted in such litigation and his court costs, a reasonable attorney's fee to be fixed by the court, and such recovery shall include court costs and attorney's fees on appeal.

Section 21. Termination by City. The City may terminate this agreement without cause upon one hundred eighty (180) days' written notice to Science Center. In the event of the damage or destruction of any substantial portion of the improvements on the premises, City may terminate this agreement immediately and shall have no obligation to reconstruct or repair the damaged or destroyed improvements. In event of termination by City pursuant to this section, the Science Center shall have the right to lease the Sacramento Science Center and Junior Museum premises in accordance with the terms and conditions summarized on Exhibit D, and City shall at the time of execution of the lease transfer title to the assets, property, office equipment, office furniture, and store equipment which were transferred to City under this agreement back to Science Center.

Section 22. Termination by Science Center. The Science Center may terminate this agreement without cause upon one hundred eighty (180) days' notice to the City.

Section 23. Entire Agreement; Amendment in Writing. This agreement contains the entire agreement between the parties. Any agreements or representations not contained herein are null and void. This agreement may be amended only by a writing signed by both parties.

Section 24. Time of Essence. Time is expressly declared to be in the essence of this agreement.

CITY:

City of Sacramento, a municipal corporation

By \_\_\_\_\_  
City Manager

SCIENCE CENTER:

Sacramento Science Center and Junior Museum

By \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Deputy City Attorney                      Date

All that real property situated in the County of Sacramento, State of California, and more particularly described as follows:

Beginning at the southeast corner of the Children's Receiving Home of Sacramento on Auburn Boulevard; thence easterly along the northern boundary of the right-of-way of Auburn Boulevard to the western boundary of the right-of-way of Bridge Road; thence northerly along the eastern boundary of the right-of-way of Bridge Road to the centerline of Arcade Creek; thence northerwesterly along the centerline of Arcade Creek to the on-ramp right-of-way of Interstate 80 from Watt Avenue; thence southwesterly along said right-of-way to the eastern boundary of the Children's Receiving Home of Sacramento; thence southwesterly along said boundary to the point of beginning.

## TO BE TRANSFERRED TO CITY

## I. Structures

- a) Science Center and Junior Museum building, aviary foyer, store, gallery, exhibit hall, spacearium, planetarium, classroom, restrooms, animal hall, and offices
- b) 1 shop and storage building
- c) 1 Aerojet trailer - storage
- d) 1 Detroit Vista Dome mobile home - storage
- e) exercise enclosure
- f) 1 small metal storage shed

## II. Grounds

- a) 12+ acres  
Duck pond, nature trail, bridges, benches, picnic tables, landscaping, sprinkler systems, kiosk, flag pole, sign board, parking lot, and yard lights

## III. Equipment

Copy machine (Sharp - leased), postage machine (Pitney Bowes - leased),  
1 IBM computer/printer, 2 IBM Selectric III typewriters, telephone system

- 1 - Oak typing desk
- 3 - desks with credenzas
- 1 - supply cabinet
- 3 - 4 drawer letter files
- 1 - 4 drawer legal file
- 1 - 5 drawer legal file
- 1 - 2 drawer letter file
- 1 - utility cabinet
- 2 - utility tables
- 1 - 3' x 5' oak cabinet
- 6 - upholstered side chairs with arms
- 3 - secretary chairs
- 1 - executive chair
- 1 - work table
- 1 - storage cabinet
- 3 - large oak bookcases
- 1 - large oak cabinet
- 1 - large safe
- 1 - small safe
- 1 - lockbox

## TO BE RETAINED BY SACRAMENTO SCIENCE CENTER AND JUNIOR MUSEUM

All equipment, exhibits, specimens, collections, and supplies not specifically listed in Exhibit B shall remain the property of the Sacramento Science Center and Junior Museum. Said items shall include, but not be limited to, the following:

All computers, monitors, printers, and programs except the IBM computer/printer listed in Exhibit B.

All Audio-video equipment including T.V.s, monitors, projectors, dissolvers, programers, star projector and consoles, stereos, amplifiers, cassette stereo players, telescopes and stands, 79 auditorium chairs, miscellaneous equipment, and supplies.

All specimen mounts, collections, exhibits, microscopes, scales, projectors, screens, cameras, carts, cabinets, display cases, and moveable display mounts.

All program aids, materials, supplies, printed material, folding tables, and folding chairs.

All pictures, clocks, furniture (not listed in Exhibit B), cash registers, stool, display cases, and merchandise for sale.

Refrigerators, freezers, fumigation boxes, portable equipment, hand tools, shelving, and supplies.

- 1 Chevrolet pickup with camper shell
- 1 Station Wagon
- 1 Cargo Van
- 1 Passenger Van
- 1 Detroit Mobile Home - caretaker living quarters

In the event this agreement between City of Sacramento and Science Center is terminated by City and a subsequent lease is entered between City and Science Center, the terms and conditions of said lease shall include, but not be limited to, the following provisions:

Summary of Terms and Conditions

1. Term - 20 years.
2. Rent - \$150 per year.
3. Permitted Use - Operation of Science Center and Junior Museum including, but not limited to, facility, grounds, and self-guided trail for the purpose of providing educational programs and services to the community.
4. Responsibilities of Lessee -
  - a. All charges for utilities
  - b. All maintenance of leased premises
  - c. All taxes and assessments
5. Insurance -
  - a. Workers Compensation - one million dollars for any one person
  - b. General Liability Insurance - one million dollars

Ownership

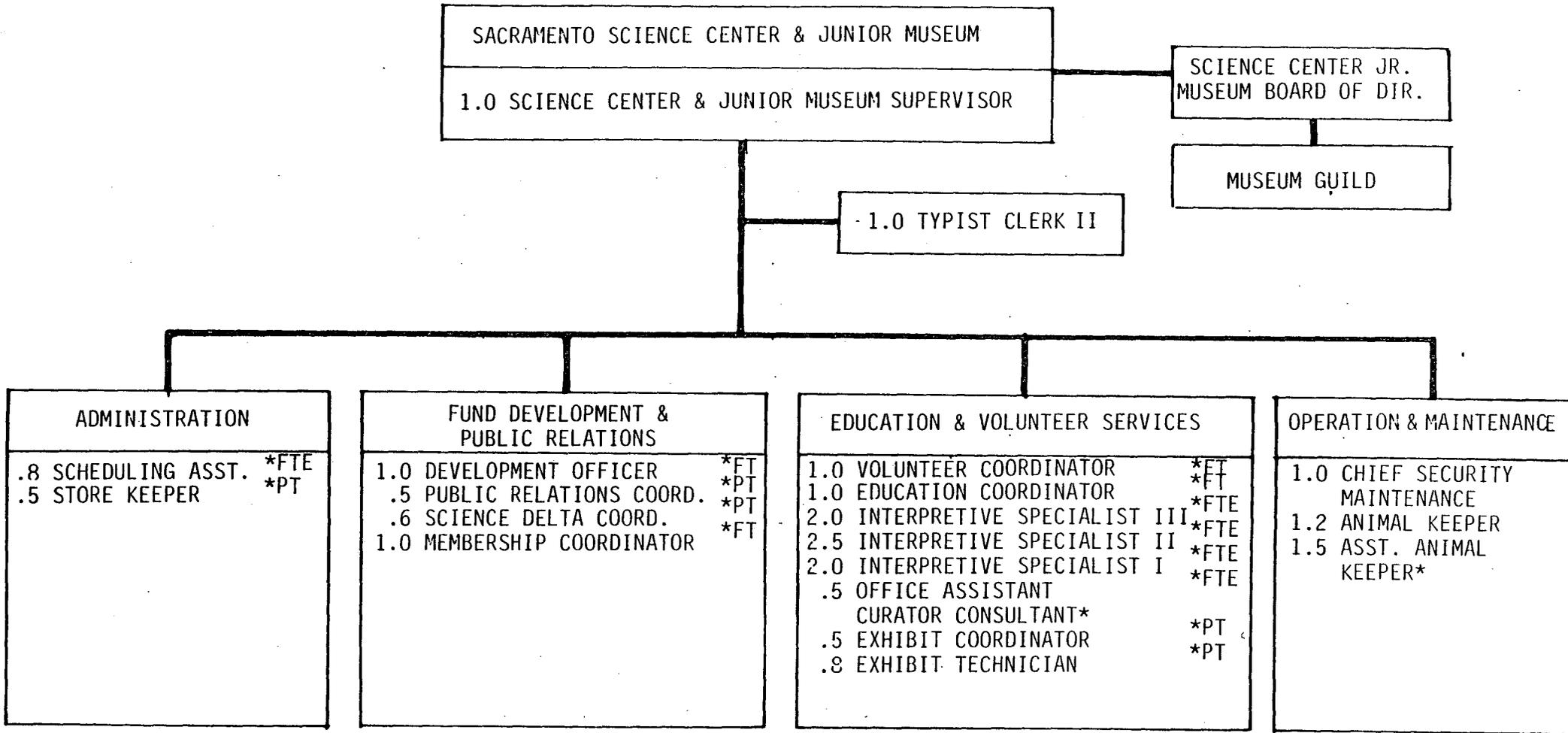
The City shall, at the time of execution of this agreement, transfer title to the assets, property, office equipment, office furniture, and store equipment, which were transferred to City under the terminated agreement (the Exhibit B assets) back to Science Center. City shall not be obligated to re-transfer assets which were depleted during the term of agreement.

CITY OF SACRAMENTO - RACIAL COMPOSITION

## 1980 CENSUS

White	186,477	67.63%
Black	56,866	13.37
Spanish Origin	59,160	14.20*
Asian American	24,017	8.71
Native American	3,322	1.20
Others	<u>25,059</u>	<u>9.09</u>
	514,901	114.20%

\*Persons of Spanish Origin are also counted in the five racial categories.



\* Nonprofit employees

PT: Part-time  
 FT: Full-time  
 FTE: Full-time equivalent

ATTACHMENT F

Proposed Budget - Sacramento Science Center  
and Junior Museum - City and County

I. Salaries and Benefits

1.0 Science Center Supervisor	\$ 40,737.00
1.0 Chief Security & Maintenance	27,384.00
1.0 Typist Clerk II	23,201.00
1.2 Animal Keeper (3 @ .40 FTE)	24,174.00

SUB TOTAL	\$115,496.00
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II. Service and Supplies

4202 Telephone	\$ 2,000.00
4276 Auto Allowance	\$ 1,200.00
4221 Utilities	17,000.00
4411 Office Supplies & Materials	5,861.00
4422 Janitorial, Cleaning & Restroom Supplies	7,542.00
4241 Maintenance & Repair	12,000.00
4242 Facility Maintenance Requests	3,900.00
4461 Small Tools, Appliances and Equipment	800.00
4402 Agricultural Supplies	1,700.00
4234 Rental of Equipment - Fleet Management	3,840.00
4471 Construction & Building Supplies	2,335.00
4343 License Fees	210.00
4270 Membership Fees	100.00
4271 Periodicals & Newspapers	100.00
4257 Veterinarian Services	350.00
4258 Other Professional Services (Contract Bookkeeper)	8,600.00
4404 Feed & Forage	2,500.00
4632 New Vehicle - Van	8,100.00
4272 Registration & Tuition Fees	300.00

SUB TOTAL	\$ 78,438.00
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TOTAL	<u>\$193,934.00</u>
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## SACRAMENTO SCIENCE CENTER AND JUNIOR MUSEUM

SalariesAdministration

.8	Scheduling Assistant	\$12,536	PT
.5	Store Keeper	7,256	PT
		<u>\$19,792</u>	

Fund Development & Public Relations

1.0	Development Director	\$26,437	FT
.5	Public Awareness Coordinator	7,835	PT
.6	Science Delta Coordinator	8,829	PT
1.0	Membership Coordinator	13,437	FT
		<u>\$56,538</u>	

Education & Volunteer Services

1.0	Volunteer Coordinator	\$16,413	FT
1.0	Education Director	19,578	FT
6.5	Interpreters	56,022	FTE
.5	Office Assistant	4,763	PT
.5	Exhibits Coordinator	7,835	PT
.8	Exhibit Technician	8,723	PT
		<u>\$113,334</u>	

Operation & Maintenance

1.5	Assistant Animal Keeper	\$26,476	FTE
<u>16.2</u>		<u>\$26,476</u>	

Total Salaries	\$216,140
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Services & Supplies

Telephone	\$ 2,735
Paper Supplies	1,500
Program Supplies	1,000
Exhibit Supplies	1,925
Insurance	19,000
Vehicles	4,500
Taxes - Payroll	16,000
Others	600
Memberships & Dues	600
Professional Development	1,800
Board of Directors Projects	1,000
Store Purchases	18,000
Promotional Materials	17,000
Printing	7,000
Postage	5,000
Total Services & Supplies	<u>\$97,660</u>

Total:	<u><u>\$313,800</u></u>
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Clerk



OFFICE OF THE  
CITY MANAGER

CITY OF SACRAMENTO  
CALIFORNIA

CITY HALL  
ROOM 109  
915 I STREET  
SACRAMENTO, CA  
95814-2684

916-449-5704

August 7, 1986

Budget & Finance Committee  
Sacramento, California

SUBJECT: PROPOSAL FOR THE CITY AND COUNTY OF SACRAMENTO TO ACQUIRE THE  
SACRAMENTO THEATRE COMPANY PROPERTY

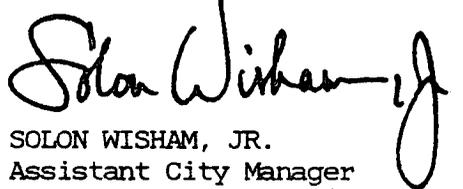
SUMMARY

The attached City Council report of the same title is scheduled to be heard by the full Council on Thursday, August 14, 1986.

RECOMMENDATION

It is recommended that the Budget & Finance Committee review and approve the report for action by City Council.

Respectfully submitted,

  
SOLON WISHAM, JR.  
Assistant City Manager

All Districts  
August 14, 1986



OFFICE OF THE  
CITY MANAGER

CITY OF SACRAMENTO  
CALIFORNIA

August 7, 1986

CITY HALL  
ROOM 109  
915 I STREET  
SACRAMENTO, CA  
95814-2684

916-449-5704

City Council  
Sacramento, California

Honorable Members In Session:

SUBJECT: PROPOSAL FOR THE CITY AND COUNTY OF SACRAMENTO TO ACQUIRE THE  
SACRAMENTO THEATRE COMPANY PROPERTY

SUMMARY

This report recommends that the City and County of Sacramento jointly acquire the Sacramento Theatre Company's real property located at the corner of 15th & "H" (1419 "H" Street) for the purpose of preserving the site for community performing arts.

BACKGROUND INFORMATION

On April 17, 1986, City and County officials received a proposal to sell the Sacramento Theatre Company's property located at 1419 "H" Street to the Sacramento Community Center Authority. That proposal was distributed to City and County staff and governing bodies.

Since the early 1940's several groups of citizens have provided community theatre for thousands of Sacramentans. Those groups, under different names, nurtured the beginning of community-based performing arts. Their efforts eventually resulted in property ownership near the corner of 15th & "H" Streets in downtown Sacramento. In June of 1951, the Sacramento Civic Theatre sponsored the first annual Music Circus. Thirty-six years later, the property now owned by the Sacramento Theatre Company is in danger of being lost to the performing arts due to the lack of sufficient funds to cover debts, to properly maintain the real property, and to pay for new season productions.

The proposal made by the Board of Directors of the Sacramento Theatre Company has been reviewed by City staff and several members of the Board of Supervisors and the City Council. There is a clear indication of interest by elected officials to ensure that the downtown property will continue to be used for performing arts purposes. A thorough staff analysis was made of the proposal and a series of discussions were held with representatives of the Sacramento Theatre Company's Board of Directors. Based on this analysis and a series of exploratory discussions, it is now feasible to describe a method which will ultimately result in the public ownership of the property and a continued utilization of the property by performing arts groups.

## ELEMENTS OF THE PROPOSAL

Based on discussions with the representatives of the Sacramento Theatre Company and local elected and appointed officials, the following elements are included in the acquisition proposal.

1. The Sacramento Theatre Company's real property located at 1419 "H" Street (See Exhibit A), will be purchased by the City of Sacramento. During escrow, title to the property can be (a) given to the City and County jointly or, (b) to the Sacramento Community Center Authority.
2. The value placed on the property by an independent appraiser, which has been updated by the City's Real Estate Division, is \$1,400,000. The purchase price of the property is for an amount not to exceed \$880,000 and is to be distributed in the following manner:
  - a. \$630,000 to the Sacramento Theatre Company to retire existing indebtedness and for operations as follows: (1) Bank of California \$360,000; (2) Various Sacramento Theatre Board Members \$55,000; (3) AKT Enterprises \$50,000; (4) Regional Foundation For the Arts \$15,000; (5) STC Operations \$150,000.
  - b. \$250,000 for essential repairs to real property. This amount will be held by the City of Sacramento and dispersed pursuant to a City-STC contract.
3. The City of Sacramento, with prior agreement with the County, will arrange for a loan in the amount of \$880,000 for a term not to exceed ten years. Approximate cost to the City and County for principal and interest for the ten year period will not exceed \$75,000 each, unless federal income tax laws changes affect the loan documents.
4. The land and facilities will be leased to the Sacramento Theatre Company for a period of 10 years at a cost of one dollar per month on a triple net basis. The Company will retain the right to sublease the property in a manner which is described by the master lease. The City of Sacramento's Department of Community Center is designated as the City/County administrative liaison. The Sacramento Theatre Company shall have the right of first refusal if the owners decide to lease the land and facilities for performing arts purposes beyond the expiration of the ten year agreement. The owners will provide three years advance notice to the STC if the owners do not intend to lease the property for performing arts purposes beyond the ten year agreement.

## FINANCIAL DATA

The purchase of the property requires that the City obtain a loan of \$880,000. The City Treasurer has obtained a loan commitment from Security Pacific National Bank at a monthly rate of 6% fixed for the first three years, calculated on a 360 day basis. Interest will then be adjusted every three years thereafter

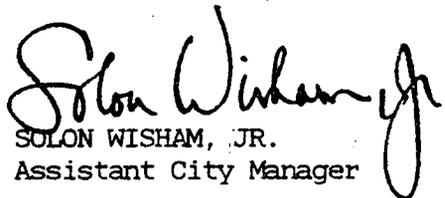
to 70% of Security Pacific's prime rate, then in effect, to a maximum of 10%, unless federal income tax laws affect the loan documents. Action by the City to acquire the loan is subject to a separate agreement with the County of Sacramento which assures that an amount equivalent to 50% of the City's obligation is paid to the City. The County would receive 50% ownership of the subject property, or would alternatively benefit if the title is vested in the Sacramento Community Center Authority.

RECOMMENDATION

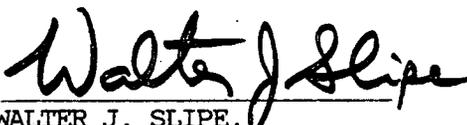
It is recommended that the City Council approve this report and the following actions by resolution;

1. That the City Manager be authorized to transmit this proposal to the County Board of Supervisors and to negotiate agreements between the City and County of Sacramento for the acquisition and disposition of the property owned by the Sacramento Theatre Company.
2. That the City Manager be authorized to execute an agreement with the Sacramento Theatre Company for the lease of the real property located at 1419 "H" Street, subject to the conditions contained in this memorandum and following the purchase of the property.
3. That the City Treasurer be authorized to pay Security Pacific National Bank a \$5,000 loan fee by August 19, 1986 and to execute a loan agreement in the amount of \$880,000 for the purpose of purchasing the Sacramento Theatre Company property.

Sincerely,

  
SOLON WISHAM, JR.  
Assistant City Manager

RECOMMENDATION APPROVED:

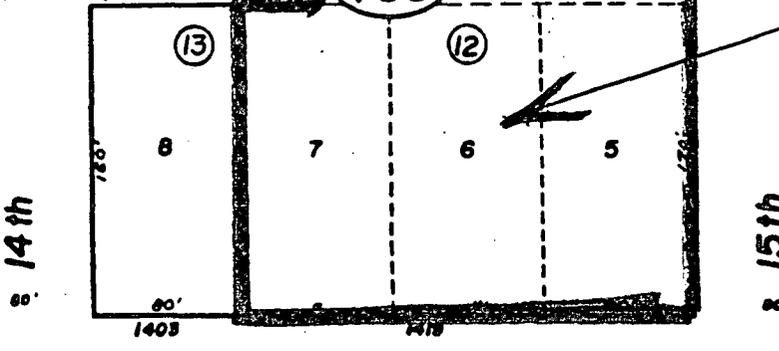
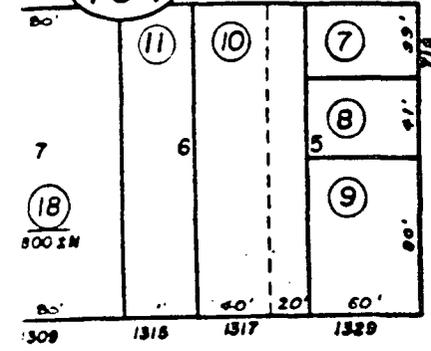
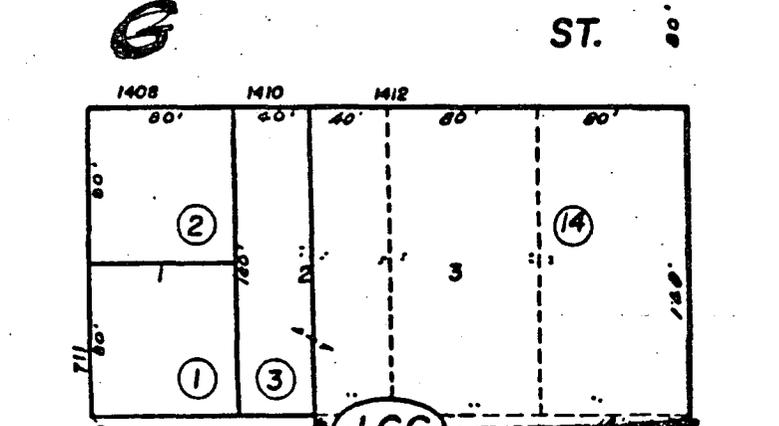
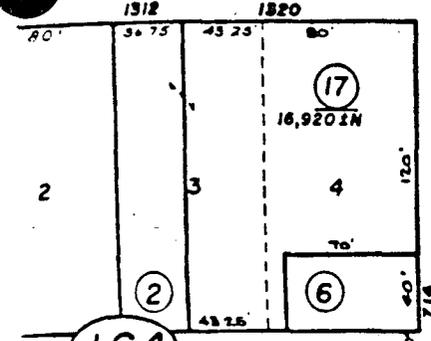
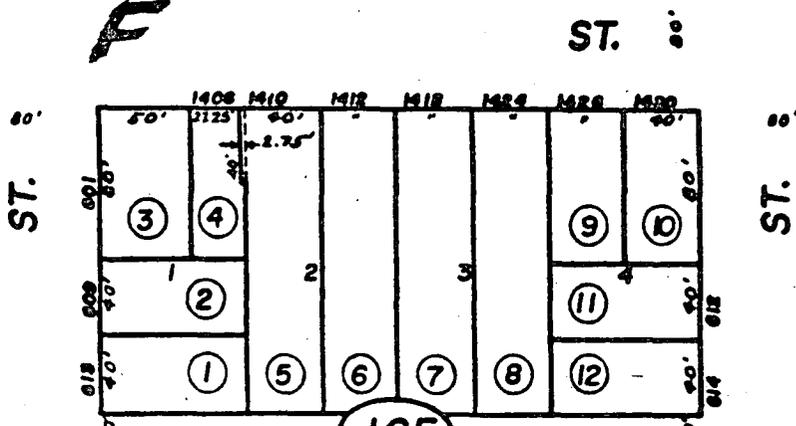
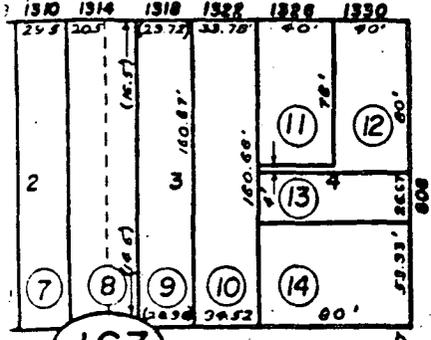
  
WALTER J. SLIPE,  
City Manager

All Districts  
August 14, 1986

Attachments

cc: Sacramento County Board of Supervisors  
Brian Richter, County Executive

12



THIS MAP IS NOT A SURVEY. IT IS MERELY AN ASSESSOR'S MAP TO LOCATE THE LAND IN THE CITY OF SACRAMENTO AND OTHER LANDS AND NOT TO SHOW PROPERTY DIMENSIONS, DISTANCES, BEARINGS, ETC.

Bk. 6

ST. CITY OF SACRAMENTO  
Assessor's Map Bk. 2 -Pg. 16  
County of Sacramento, Calif.

NOTE—Assessor's Block Numbers Shown in Ellipses.  
Assessor's Parcel Numbers Shown in Circles

## RESOLUTION No.

Adopted by The Sacramento City Council on date of

RESOLUTION AUTHORIZING THE CITY MANAGER AND CITY TREASURER TO NEGOTIATE AND EXECUTE CERTAIN AGREEMENTS WITH THE COUNTY OF SACRAMENTO, SACRAMENTO THEATRE COMPANY AND THE SECURITY PACIFIC NATIONAL BANK CONCERNING THE ACQUISITION OF REAL PROPERTY LOCATED AT 1419 "H" STREET

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. The City Manager is authorized to transmit this proposal to the County Board of Supervisors and to negotiate agreements between the City and County of Sacramento for the acquisition and disposition of the property owned by the Sacramento Theatre Company.
2. That the City Manager be authorized to execute an agreement with the Sacramento Theatre Company for the lease of the real property located at 1419 "H" Street, subject to the conditions contained in this memorandum and following the purchase of the property.
3. The City Treasurer is authorized to pay Security Pacific National Bank a \$5,000 loan fee by August 19, 1986 and to execute any and all loan transaction documents not to exceed \$880,000 with Security Pacific National Bank pursuant to Attachment A in order to complete the acquisition of the Sacramento Theatre Company property.
4. Five thousand dollars is to be appropriated from the General Fund Contingency (101-710-7012-4999) to the City Manager's Budget (101-030-0300-4287) to provide funding for the required loan fees.

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MAYOR

ATTEST:

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CITY CLERK