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OFFICE OF THE
CITY TREASURER

THOMAS P. FRIERY
TREASURER

CITY OF SACRAMENTO
APPROVED
BY THE CITY COUNCIL

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OCT 6 1998

OFFICE OF THE
CITY CLERK

AG 98-166
AG 98-169
AG 98-170

APPROVED

September 25, 1998
F2666MNW.DOC

City Council
Sacramento, California

OCT 6 1998

FINANCE AUTHORITY
CITY OF SACRAMENTO

Honorable Members in Session:

SUBJECT: STATE OF CALIFORNIA - CAL/EPA BONDS

LOCATION/COUNCIL DISTRICT: Citywide

RECOMMENDATION

This report recommends that the Sacramento City Financing Authority adopt the attached Resolution authorizing

- The preparation and distribution of a Preliminary Official Statement for the State of California - EPA Office Building
- Execution and delivery of a Final Official Statement and certain other actions in connection therewith
- The City Treasurer with concurrence of the City Manager to execute all necessary documents as may be required.

This report recommends that the City Council authorize the City Manager or City Clerk to execute the attached Parking Agreement providing the State of California, Department of General Services with parking and adopt the attached Resolution.

CONTACT PERSON:	Thomas P. Friery, City Treasurer	264-5168
	Lydia Lara, Deputy City Treasurer	264-7746

FOR COUNCIL MEETING OF: October 6, 1998

SUMMARY

- June 27, 1995 Sacramento City Council authorized the City Manager to enter into a lease agreement with the State of California to construct an office building for the State of California.
- November 26, 1996 Approval of business terms for the lease purchase agreement with the State of California to develop the office building.
- April 22, 1997 City Council authorized City Manager to execute a lease to finance and construct a 25 story, 950,000 square foot office building through a development agreement with Thomas Development Partners.
- June 4, 1998 Authorized City Treasurer to execute documents to issue Bond Anticipation Notes to finance a portion of the construction costs.

COMMITTEE/COMISSION ACTION

None

BACKGROUND

On June 4, 1998 the City Treasurer requested authorization to issue the Bond Anticipation Notes which were to be issued to provide interim funding for construction of the State Office building. At that time the legal framework included all the necessary documentation and approvals for the permanent financing (Bonds). This included creating documents such as the Bond Trust Indenture, Consent and Assignment Agreement and First Amendment to Sacramento/State Building Lease. The only approvals necessary were for the above noted documents.

Estimated benefits for the project were outlined along with the construction schedule.

The lease between the City of Sacramento and Cal EPA requires the City to provide 750 parking spaces in Parking Lot I. In addition, the City is required to make 550 spaces available in a City operated facility to Cal EPA employees within a five-block radius of the worksite. The Parking Agreement as proposed would meet the City's 750-space requirement and will be amended to fulfill the additional 550-space obligation within the next year.

FINANCIAL CONSIDERATIONS

The Sacramento City Financing Authority will issue Lease Revenue Bonds in an amount not to exceed \$210,000,000 for the purpose of financing the remaining portion of the cost to complete a State of California Office Building and to refund the Authority's outstanding \$34,890,000 aggregate principal amount of Bond Anticipation Notes. The notes will include capitalized interest during the construction of the Project, fund a reserve fund and as required in the lease, fund an additional six (6) months capitalized interest following

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completion of the project. Additionally the reserve fund may be satisfied through a letter of credit or surety bond.

Security for the Bonds are a special obligation of the Authority issued pursuant to the Trust Indenture and is payable solely from and equally secured by a pledge of lease payments from the Department. Under the lease the Department has covenanted to take such action, as may be necessary to include all Lease Payments due in its annual budget.

POLICY CONSIDERATIONS

As stated in the previous report, the retention of the State employment workforce in the downtown central business district is and has been a priority for the City.

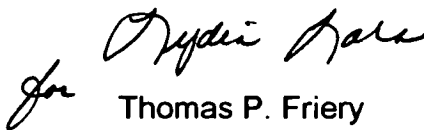
ENVIRONMENTAL CONSIDERATIONS

The City Council certified the Environmental Impact Report for the project including the necessary studies and surveys to prepare the analysis for the report in accordance with the California Environmental Quality Act (CEQA). Several challenges were filed and subsequently dismissed.


MBE/WBE EFFORTS

The City Treasurer and State Treasurer's Office have included a number of minority owned firms to the syndicate to sell and underwrite these Bonds.

Respectfully Submitted,


Thomas P. Friery
City Treasurer

Recommendation approved:


 William H. Edgar
City Manager

APPROVED

RESOLUTION NO. 98-004

OCT 6 1998

ADOPTED BY THE SACRAMENTO CITY FINANCING AUTHORITY
**FINANCE AUTHORITY
CITY OF SACRAMENTO**

ON DATE OF _____

A RESOLUTION OF THE SACRAMENTO CITY FINANCING AUTHORITY AUTHORIZING THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT, THE EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT AND CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Sacramento City Financing Authority is a joint exercise of powers entity duly organized and existing under and by virtue of the laws of the State of California (the "Authority"); and

WHEREAS, the Authority is authorized pursuant to the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4, Chapter 5, Division 7, Title 1 (commencing with Section 6584) of the California Government Code, as amended (the "Act"), to issue bonds to provide funds to achieve its purposes, including the payment of the costs of any Public Capital Improvement (as that term is defined in the Act); and

WHEREAS, the Authority has previously authorized (pursuant to Resolution No. 98-002, adopted on June 2, 1998) the issuance of its Sacramento City Financing Authority Lease Revenue Bonds, State of California - Cal EPA Building, 1998 Series A, in the aggregate principal amount of not to exceed \$210,000,000 (the "Bonds") for the purpose of financing the construction, installation and equipping of certain facilities located on property owned by the City of Sacramento (the "City"), a local agency pursuant to the Act, which facilities, when complete, will be an office building occupied by various State of California agencies; and

WHEREAS, Section 7 of Resolution No. 98-002 provided that at the time the Bonds are expected to be marketed by the Underwriters, a substantially final form of offering document would be presented to the Board of Directors for approval; and

WHEREAS, a preliminary official statement, the form of which has been submitted to this meeting is now being presented to the Board of Directors for approval, and a final official statement will be prepared and used in connection with the offering and sale of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sacramento City Financing Authority as follows:

Section 1. All of the above recitals are true and correct, and this Board so finds and determines.

FOR CITY CLERK USE ONLY

RESOLUTION NO. : _____

DATE ADOPTED: _____

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Section 2. The form of preliminary official statement, presented to this meeting and on file with the Secretary of the Board, is hereby approved. The Chairman, the Vice Chairman and the Treasurer of the Authority are hereby jointly and severally authorized and directed, for and in the name and on behalf of the Authority, to cause to be prepared a preliminary official statement in substantially similar form, with such changes therein as such boardmember or officer, as appropriate, may require or approve, such approval to be conclusively evidenced by the execution and delivery of a "deemed final" certificate hereinafter mentioned.

The Chairman, the Vice Chairman and the Treasurer of the Authority are hereby jointly and severally authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver a certificate deeming the preliminary official statement final as of its date, except for certain final pricing and related information, for purposes of Securities Exchange Commission Rule 15c2-12; and to execute a final official statement in substantially the form of such deemed final preliminary official statement, including such final pricing and related information and with such changes therein as such boardmember or officer, as appropriate, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

The Authority hereby authorizes the Underwriter to distribute the preliminary official statement to prospective purchasers of the Bonds and hereby ratifies and confirms any such distribution previously made by the Underwriter, and further authorizes the Underwriter to distribute copies of said final official statement to all actual purchasers of the Bonds.

Section 3. The Chairman, the Vice Chairman, the Treasurer, and any and all other officers, agents and employees of the Authority are hereby further authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution. Any such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 4. This resolution shall take effect immediately upon its passage.

Chairman

ATTEST:

Secretary

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

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APPROVED
BY THE CITY COUNCIL

OCT 6 1998

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 98-506

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**RESOLUTION AUTHORIZING EXECUTION OF PARKING AGREEMENT
WITH STATE OF CALIFORNIA FOR PARKING IN LOT I**

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

WHEREAS, on April 23, 1997, the City and the State of California, Department of General Services entered into a Lease Agreement (City Agreement No. 97-045) for lease of an office building to be constructed on the block bounded by 10th, 11th, I and H Streets in Sacramento, CA.; and

WHEREAS, paragraph 31.1 of the Lease Agreement requires the City and the State to enter into a Parking Agreement providing the State with 750 parking passes during the term of the Lease Agreement in the City parking garage known as "Lot I," located at 1000 I Street in Sacramento, CA.

NOW, THEREFORE, BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

The City Manager and City Clerk are hereby authorized to execute on behalf of the City the attached Parking Agreement providing the State of California, Department of General Services, with 750 parking passes in Lot I, subject to the terms and conditions set forth in the Parking Agreement.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

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PARKING AGREEMENT

This Parking Agreement (hereafter "Agreement") is made on _____, 1998, between the **City of Sacramento**, a charter municipal corporation (hereafter "City"), and the **Department of General Services of the State of California**, an agency of the State of California (hereafter "Licensee").

Recitals

This Parking Agreement is made with reference to the following recital of pertinent factual matters:

- A. City and Licensee have entered into that certain lease agreement entitled Sacramento/State Building Lease, dated April 23, 1997, and identified as City Agreement No. 97-045 (hereafter the "Lease Agreement") for lease of an office building (hereafter the "Building") to be constructed on the block bounded by 10th, 11th, I and H Streets in Sacramento, CA.
- B. Paragraph 31.1 of the Lease Agreement provides that City and Licensee shall enter into a Parking Agreement providing Licensee with 750 parking passes during the term of the Lease Agreement in the City parking garage known as "Lot I," located at 1000 I Street in Sacramento, CA.
- C. City and Licensee now desire to enter into this Parking Agreement, on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the Recitals, and of the mutual promises, covenants and agreements contained herein, it is agreed as follows:

1. **Term of Agreement.** The term of this Agreement shall begin on the earlier of the Rental Commencement Date in the Lease Agreement or the date that a Certificate of Project Acceptance for all or any portion of the Building is issued by Licensee in accordance with Paragraph 7.4 of the Lease Agreement, and shall continue until the earlier of the following dates: (i) The date that this Agreement is terminated in accordance with the provisions hereof; or (ii) The date that the Lease Agreement, including any valid amendments thereto, expires or is terminated in accordance with its provisions. In the event that the Lease Agreement is terminated upon the exercise of Licensee's Option to Purchase under Paragraph 30 of the Lease Agreement, Licensee shall have an option to enter into a new parking agreement in accordance with the provisions of Paragraph 30.7 of the Lease Agreement.

2. **Parking Permits.** Upon commencement of the term of this Agreement, payment by Licensee to City of the first monthly payment required by paragraph 4, below (pro-rated, if applicable), and payment by Licensee to City of the deposit established by resolution of the City Council for each computer access card and display permit provided to Licensee, City shall issue to Licensee a total of seven hundred fifty (750) monthly parking permits (hereafter "Permits") for the use of parking spaces located in Lot I in accordance with the terms of this Agreement. At the conclusion of the term of this Agreement, the deposit paid by Licensee for each computer access card and display permit that is returned to City in good reusable condition shall be refunded to Licensee, without interest.

3. **Renewal of Issued Permits.** Each Permit shall be automatically renewed as of the first day of each month.

4. **Parking Space Rental Payments.** Upon commencement of the term of this Agreement, for each Permit issued by City to Licensee, Licensee shall pay to City a monthly payment of \$125.00 during the first 12 month period of this Parking Agreement, which monthly payment shall be increased by 4.5% at the beginning of each successive 12 month period during the remaining term of this Agreement, as shown on the Parking Fee Schedule attached hereto as Exhibit "A". The rental for the 750 parking spaces shall be paid irrespective of whether, or to what extent, such spaces are actually occupied or used by Licensee.

5. **Monthly Payments.** On or before the first business day of each month during the term of this Agreement, Licensee shall pay to City, in advance, the monthly payment required by paragraph 4 at 312 K Street, Sacramento CA 95814-2877, or at such other location as City may designate to Licensee in writing. The monthly payment shall be for use of the Permits for the month in which the payment is due. Failure to make the required payment in a timely manner shall constitute a default by Licensee, and this Agreement shall be subject to termination by City pursuant to the procedures specified in paragraph 7, below.

6. **Use of Lots.** Except as provided otherwise herein, the rules and conditions attached hereto as Exhibit "B" and incorporated herein by this reference, shall apply to each of the seven hundred fifty (750) Permits. Licensee shall inform the individuals parking under a Permit issued to Licensee hereunder of these rules and conditions. Subject to the rules and conditions set forth in Exhibit "B", the users of Permits shall have the right of ingress to and egress from Lot I, Monday through Sunday, twenty-four (24) hours a day; provided, however, that such rights are subject to such interference as may be made necessary from time to time, in the sole discretion of City, for special events, repairs, reconstruction or maintenance of the parking structure or any appurtenances thereto, or associated improvements. In the event that the said facilities are damaged to such an extent that they may not be used for parking, or such that their use is so restricted that Licensee's Permits may in City's judgment no longer be accommodated, then City may

cancel the affected Permits until such time as the damaged facilities have been restored; provided, however, that at the request of Licensee, City shall use its best efforts to re-designate the affected Permits for use during the interim at another City parking facility.

7. **Termination By City.** In addition to provisions for termination specified elsewhere in this Agreement, in the event of any default or violation of any provision of this Agreement by Licensee, City may provide written notice of the violation to Licensee, who shall forthwith use its best efforts to take action to remedy the default or violation. In the event the Licensee fails, within ten (10) days from the date of the notice, to take the necessary corrective action, City may, in its sole discretion, provide written notice to Licensee: (i) that the time for correction is extended; or (ii) that this Agreement is terminated, which termination shall be effective upon Licensee's receipt of said notice; or (iii) that this Agreement shall remain in full force and effect notwithstanding said default or violation, in which case City shall be entitled to all remedies available at law or in equity for said default or violation, including damages and/or specific performance. If this Agreement is terminated as provided above, Permits issued hereunder will cease to be valid at the end of the month during which the termination occurs. The procedures specified above shall not apply in the event that the City determines, in its sole discretion, that an emergency situation exists, in which case City may take any action deemed necessary by City to respond to the emergency situation.

8. **Permit Distribution.** Quarterly, during the term of this Agreement, Licensee shall provide City an updated and current list of all individuals to whom Permits are distributed. This list shall indicate the names and vehicle license numbers of each individual person to whom a Permit is distributed. Multiple incidents of misuse of a Permit by any holder thereof as reasonably determined by the City shall constitute a default by Licensee, and shall entitle City to terminate this Agreement pursuant to the procedures specified in paragraph 7.

9. **Access to Records.** City shall have reasonable access to the records of Licensee regarding the administration of Permits issued under this Agreement.

10. **Destruction of Parking Structure.** In the event of demolition or complete destruction of the Lot I Parking Structure at any time during the term of this Agreement, Licensee shall have the option to: (i) continue paying for the entire block of seven hundred fifty (750) Permits; or (ii) terminate this Agreement.

11. **Nondiscrimination.** Licensee covenants that there shall be no discrimination against any person or group of persons on account of race, color, creed, sex, marital status, disability, national origin, ancestry, or any other basis prohibited by local, state or federal law or regulation, in the distribution or use of Permits. Any breach of this covenant shall constitute a default by Licensee, and this Agreement shall be subject to termination by City pursuant to the procedures specified in paragraph 7.

12. **Assignment.** Licensee's rights under the Agreement shall not be transferable or assignable, by operation of law or otherwise, without the written consent of City, obtained in advance. Any attempt to transfer or assign without having first obtained such consent may, in the City's sole discretion, and without the need for procedures specified in paragraph 7, cause the immediate termination of this Agreement. In addition to any other relevant and reasonable conditions, City shall be entitled to condition its consent on the execution by the assignee or transferee of an agreement satisfactory in form and content to the City Attorney, whereunder the assignee or transferee expressly assumes the obligations specified in this Agreement. Upon full execution of such an assumption agreement, Licensee shall be released from all of its obligations hereunder which otherwise would accrue, from and after the effective date of the assumption agreement.

13. **Conflict.** In the event of a material conflict between any provisions of this Agreement and any rule, regulation or law enacted by any governmental agency including, but not limited to City, the County of Sacramento, the Sacramento Air Quality Maintenance District or any successor thereto, or any state or federal agency or legislative body, the enactment of the governmental agency or legislative body shall prevail and the obligations of the parties to this Agreement shall be modified accordingly. In the event that City determines that the provisions of this paragraph would require modification of the Agreement, City shall so notify Licensee and the parties shall meet and endeavor in good faith to reach resolution of the issues. In the event that a good faith impasse is reached in such negotiations, the parties shall submit the unresolved issues to the Sacramento City Council, acting in its quasi-legislative capacity, for resolution.

14. **Subordination.** This Agreement shall be subject and subordinate at all times to the lien of any mortgage or trust deed or deeds or evidence of obligation which may now exist upon or which may be placed upon Lot I, or any other lot which in the future is utilized as a substitute lot for Permits issued pursuant to this Agreement. "Evidence of obligation", for purposes of this paragraph, includes but is not limited to documents relating to any form of public financing (e.g., bonds, certificates of participation) wherein the said parking facilities or any of them are used as an asset securing the public financing in any manner. Licensee covenants that it will execute and deliver to City, or its nominee, proper subordination agreements to this effect at any time upon the request of City, and without any payment being made therefore or any condition thereto.

15. **Attorney Fees and Costs.** If either party shall bring any suit or proceeding to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to recover from the other party reasonable costs and expenses, including reasonable attorney fees and including such fees and costs as may be incurred in enforcing a judgment or order entered in any arbitration or legal action. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of such attorneys fees and cost.

16. **Notice.** Any notice, documentation, or other communication required or desired to be given pursuant to this Agreement shall be given in writing either by personal service, by certified mail, return receipt requested, postage fully prepaid or by national overnight delivery service, to the following respective addresses:

City

Parking Administrator
City of Sacramento
312 K Street
Sacramento CA 95814

Licensee

State of California Department of General Services
Office of Project Management and Development, Attn: Office Chief
400 R Street, Suite 5100
Sacramento, CA 95814

The Licensee representative identified above shall be responsible for notifying all users of the Permits issued to Licensee hereunder of all applicable requirements and conditions, and shall function as the point of contact between City and the Permit users, as directed by City. The above representatives or addresses may be changed by written notice in accordance with this section.

17. **Condemnation.** In the event that any portion or all of either Lot I should be taken by eminent domain or acquired under the threat of the exercise of the power of eminent domain, this Agreement shall automatically, without the need for action by either party, terminate, and Licensee shall have no interest whatsoever in any proceeds from such taking payable to City, and City shall be under no legal obligation whatsoever to pay to or reimburse Licensee for any loss or damage whatsoever relating to or arising out of the taking of the structure. Provided, however, that at Licensee's request, City shall make a reasonable effort to, but shall not be under legal obligation to, provide alternate City parking facilities for purposes of some or all of the Permits. In the event that alternate City parking facilities are available and City agrees that such facilities may be used for some or all of the Permits, the parties shall enter into a new and different agreement for Permits. Provided, further, that Licensee shall be entitled to exercise any right it may have, in law or in equity, to independently seek compensation from the condemning agency for any of Licensee's losses or damages.

18. **Security.** The nature of any Permit issued pursuant to this Agreement is that of a license, and no agency or relationship of landlord and tenant shall arise from this Agreement. City shall not be responsible for the personal security of any person or

personal property in Lot I, or in any substitute or alternate facilities furnished pursuant to this Agreement or otherwise.

19. **No Waiver.** Any failure of a party to insist upon strict compliance with any term, undertaking or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking or condition. To be effective, a waiver must be in writing, signed and dated by the parties; provided that no failure of City to terminate this Agreement for default upon any breach shall constitute a waiver of the right to terminate this Agreement for the same or any other default or violation subsequently occurring.

20. **Time of Essence.** Time is of the essence to each and every term and condition of this Agreement.

21. **Indemnity and Hold Harmless.** Licensee shall defend, indemnify and save harmless the City, its officers, employees, and agents, and each and every one of them, from and against any and all liability, loss, expense, including reasonable attorney's fees, or claims for injury or damages arising out of the performance of this Agreement, but only in proportion to, and to the extent such liability, loss, expense, attorney's fees, or claim for injury or damages are caused by or result from the negligence or intentional acts or omissions of Licensee, its directors, trustees, officers, employees, or agents. The provisions of this paragraph 21 shall survive any termination of this Agreement, notwithstanding anything herein to the contrary.

22. **Complete Agreement.** This Agreement and the Lease Agreement contain all of the terms and conditions of the agreement between City and Licensee regarding use of City parking facilities, provided that, in the event of a conflict between the terms of this Agreement and the terms of the Lease Agreement, the Lease Agreement shall govern.

23. **Severability.** In the event any portion of this Agreement is declared void by a court or arbitrator, such portion shall be severed from this Agreement, and the remaining provisions shall remain in effect, unless the effect of such severance would be to substantially alter the Agreement or obligations of the parties, in which case the Agreement may be immediately terminated.

24. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.

25. **Headings.** The headings of sections in the Agreement are for reference only and are not to be construed in any way as part of this Agreement.

26. **Third Party Beneficiaries.** Unless otherwise expressly provided, this Agreement shall not create any third-party beneficiary rights for any person or entity.

27. **Additional Parking Spaces.** Paragraph 31 of the Lease Agreement provides that, in addition to issuing 750 Permits under this Agreement, not more than 550 parking spaces shall be made available by City from among other City parking facilities within a five block radius from the Building, and further provides that the rates for the additional 550 parking spaces shall be at market rates negotiated in good faith by City and Licensee prior to occupancy of the Building by Licensee. The terms agreed upon by City and Licensee for said additional 550 parking spaces may be included in this Agreement by amendment or may be set forth in a separate agreement or agreements, as determined by City and Licensee when said terms are negotiated in accordance with the provisions of Paragraph 31 of the Lease Agreement.

28. **Amendment.** This Agreement may be amended only by a written instrument duly authorized and executed by City and Licensee.

29. **Execution.** Each person signing this agreement below, each of the following represent that they have authority to execute this agreement and to bind the party on whose behalf their execution is made.

DATED: _____, 1998

DATED: SEPTEMBER 23, 1998

CITY OF SACRAMENTO

STATE OF CALIFORNIA
DEPT. OF GENERAL SERVICES

By: _____

By: Eugene C. Spindler

Title: _____

Title: DEPUTY DIRECTOR

ATTEST:

By: _____

City Clerk

Title: _____

APPROVED AS TO FORM:

Joe Robinson
City Attorney

EXHIBIT A

Parking Fee Schedule for Lot I

City of Sacramento / State Dept. of General Services Parking Agreement Lease

Year	Yearly Increase	Monthly Permit Cost	Number of Permits
1		\$125	750
2	4.5%	\$131	750
3	4.5%	\$137	750
4	4.5%	\$143	750
5	4.5%	\$149	750
6	4.5%	\$156	750
7	4.5%	\$163	750
8	4.5%	\$170	750
9	4.5%	\$178	750
10	4.5%	\$186	750
11	4.5%	\$194	750
12	4.5%	\$203	750
13	4.5%	\$212	750
14	4.5%	\$222	750
15	4.5%	\$231	750
16	4.5%	\$242	750
17	4.5%	\$253	750
18	4.5%	\$264	750
19	4.5%	\$276	750
20	4.5%	\$288	750
21	4.5%	\$301	750
22	4.5%	\$315	750
23	4.5%	\$329	750
24	4.5%	\$344	750
25	4.5%	\$360	750

EXHIBIT B

RULES AND CONDITIONS

1. Care of the computer access cards or display permits issued under this Parking Agreement is the Licensee's responsibility, such as protecting the computer access card issued to permit users from abnormal wear due to warping by not leaving it in the sun or clipped to visors and other reasonable measures to prevent damage.
2. Licensee shall pay a replacement fee established by resolution of the City Council for the replacement of computer access cards or display permits that are lost or damaged beyond normal wear and tear.
3. Permits issued under this Agreement are for the sole use of the registered Permit user and are non-transferable. The Permit authorizes the parking of one (1) passenger vehicle or light truck at any single time. Permit is for ingress to and egress from designated facility or lot only and no definite space is assigned. Computer access card must be used to enter and to exit facility at all times. Display permit must be visible in designated method at all times while vehicle is parked on lot. Use of an invalid Permit is prohibited and use of said invalid Permit shall be charged the daily parking rate. There shall be no refunds for daily fees paid for use of an invalid card.
4. Permit users shall provide information upon request to validate their personal usage at any time. Failure of any Permit user to cooperate fully or comply with this Agreement as stated may result in cancellation of the Permit by City.
5. Permit users shall comply at all times with the conditions of this Agreement, as well as all regulations established by State law or City Code and/or posted in the parking facilities (such as No Parking, Red Zone, Handicap Parking, parking between lines, Compact Car Only, Speed Limits, Directional Flows, etc.), and any violation of such regulations by any Permit user shall be punishable as provided by State law and/or the City Code, in addition to any remedies available under this Agreement.