

RESOLUTION NO. 82-056

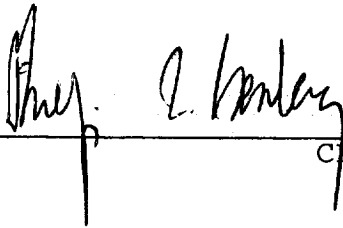
ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
ON DATE OF

August 3 , 1982

AUTHORIZING EXECUTION OF MEMORANDUM OF
UNDERSTANDING BETWEEN THE REDEVELOPMENT
AGENCY AND THE CITY ENGINEERING DEPARTMENT

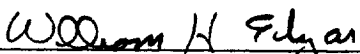
BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO:

Section 1. The Executive Director is hereby author-
ized to execute the attached Memorandum of Understanding on
behalf of the Redevelopment Agency.



CHAIRMAN

ATTEST:



SECRETARY

82-056
RESOLUTION No. _____ AUG - 3 1982
(4)

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is entered into as of _____, 1982, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO (hereinafter the "Agency"), and the CITY OF SACRAMENTO (hereinafter the "City").

Recitals

A. For many years, Agency has found it appropriate and convenient to utilize the staff and expertise of the Engineering Department of the City in fulfilling certain of its obligations under the various Redevelopment Plans which are operative within the City.

B. Agency has recently assumed responsibility for the management and administration of Community Development Block Grant funds of the City.

C. In both of the aforementioned roles, Agency requires the accomplishment of certain physical improvements on Agency-owned and/or City-owned land.

D. Agency and City are desirous of clarifying the nature and extent of their respective roles and creating a framework whereby the requisite formalities accompanying specific projects can be minimized.

NOW, THEREFORE, the parties hereto have entered into this Memorandum of Understanding to set forth their understandings in relation thereto.

Understandings

1. The Agency will continue to exercise its statutorily-designated role as the entity legally responsible for the execution of redevelopment activity within the City of Sacramento. In so doing, the Agency will retain final authority in all aspects of the improvement necessary to the successful completion of redevelopment activities. However, in those instances in which the specified improvement which the Agency proposes to undertake shall be upon City-owned land, such as improvements to the public rights-of way, the Agency's role shall be limited to that of initiating activity by the provision of adequate funding and thereafter the City shall have final authority in the execution of the improvement, so long as the total amount of the Agency-provided funding shall not be exceeded.

2. To the extent that funds are made available by Agency to the City for work to be undertaken pursuant hereto, the City will cause to be constructed and/or installed in relation to the various Redevelopment Project Areas, certain site improvements and public facilities. Such provisions of funding and undertaking by

the City shall be evidenced by the execution of an individual project agreement (hereinafter "IPA") in a form substantially similar to that attached as Exhibit "A" hereto.

3. Prior to the execution of an IPA, City shall supply Agency with a proposed budget for the specified improvement which shall set forth, where applicable, specified line items for administrative costs, consultant costs, construction costs, equipment costs, and contingencies. Said budget shall be incorporated into the IPA.

4. The consideration to be paid by Agency to the City for the services to be performed as specified in the IPA shall be paid in monthly installments during the course of the completion of the improvements. In connection therewith, City shall provide Agency with monthly progress payment requests specifying the City's actual, reasonable expenditures in performance of the IPA.

5. City shall have the right to invade sums established in one budgeted line item upon the exhaustion of another budgeted line item for payment of additional expenses incurred in the latter category, so long as City reasonably anticipates that the entire project can be completed within the total sum committed by Agency in the IPA. City shall immediately notify Agency when it reasonably determines that all of the work specified in the IPA cannot be accomplished within the total sum specified therein.

6. Agency agrees to make progress payments to City in the amount set forth in the progress payment request submitted monthly by City without further verification or review, provided, however, that Agency reserves the right to terminate any IPA forthwith if, in the sole discretion of Agency, it reasonably appears that all of the work specified in the IPA cannot be accomplished within the total amount committed thereto. In the event that Agency should terminate an IPA under such circumstances, Agency shall pay City all of its reasonably incurred actual expenses to the date of termination.

7. City shall be responsible for the administration of all applicable labor compliances and affirmative action requirements.

8. Notwithstanding anything to the contrary contained herein, on any project undertaken upon Agency-owned land, no such work shall be undertaken until City shall have received notification of Agency's approval of the plans and specifications for such work. Additionally, where the specified work is to take place upon Agency-owned land, Agency shall reserve the right to approve all change orders except those which, in the judgement of the City Engineer, are necessary to prevent the interruption of the work which would result in a substantial increase in cost to the Agency or necessary to protect the work and equipment or materials used in the work, or human safety from substantial and immediate danger of injury or necessary to protect, where damage or injury has occurred,

the work or equipment or materials or human safety from further or additional damage or injury or deterioration. Agency approval of change orders will be executed according to the Agency change order policy identified in Exhibit "E".

9. It is mutually understood that the cooperative performance of the respective obligations set forth in this Memorandum are essential to the successful accomplishment of the purposes and benefits set forth herein.

10. Either party shall have the right to terminate its participation under this Memorandum upon fifteen (15) days written notice served upon the other party, provided, however, that such termination shall not affect the obligations of the parties under any IPA then in force.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum as of the date first above written.

REDEVELOPMENT AGENCY OF THE CITY
OF SACRAMENTO

By _____
Executive Director

APPROVED AS TO FORM:

General Counsel

CITY OF SACRAMENTO

APPROVED:

By _____
City Manager

Finance Department

ATTEST:

Cost Code _____

Organization No. _____

City Clerk

Organization Approval

INDIVIDUAL PROJECT AGREEMENT

THIS AGREEMENT is entered into as of _____, 19____, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO (hereinafter "Agency"), and the CITY OF SACRAMENTO (hereinafter "City").

Recitals

WHEREAS, the City and Agency have entered into a certain Memorandum of Understanding as of _____, 1982, relating to the execution of agreements for physical improvements by and between the City and the Agency; and

WHEREAS, the Agency desires to utilize the staff and expertise of the City in accomplishing certain physical improvements; and

WHEREAS, the Agency has determined that it has sufficient funding to accomplish the improvements set forth herein.

NOW, THEREFORE, the parties hereto agree and covenant as follows:

1. The City will undertake the installation of the improvements set forth on Exhibit "B" attached hereto and made a part hereof and cause the same to be completed, together with all necessary administrative costs, consultant costs, equipment costs, and contingent costs, for a total sum not to exceed _____ DOLLARS (\$_____).

2. The improvements set forth herein shall be accomplished according to the procedural steps set forth in Exhibit "C" attached hereto and made a part hereof and cause the same to be completed on or before a mutually agreed upon date between the City and the Agency.

3. As to those improvements set forth in Exhibit "B" which are located upon City-owned land, said improvements shall be constructed to existing City standards for such improvements and shall be accomplished in such manner and with the use of such forces as the City shall deem necessary and appropriate, provided, however, that in no event shall Agency's liability to City by reason of City's activities hereunder exceed the total amount set forth in Paragraph 1 hereof.

4. City has established a budgeted line item breakdown of the aforementioned total sum as follows:

82-056

RESOLUTION No. _____

(10)

AUG - 3 1982

Administrative Costs	_____
Consultant Costs	_____
R/W Costs	_____
Construction Costs	_____
Construction Engineering Costs	_____
Equipment Costs	_____
Contingencies	_____
TOTAL	=====

5. City will submit partial payment requests on a monthly basis for payment hereunder for the actual reasonable costs incurred by City to accomplish the improvements set forth hereunder. Agency agrees to pay such progress payments in such amounts as City requests upon review of Partial Payment Request, Contractor Break-down, Monthly Project Progress Report, and Schedule for Agency-owned Projects (Exhibit "D"). For City-owned projects, the Agency will receive and review only the Partial Payment Request. Agency reserves the right to terminate this Agreement forthwith if, upon the presentation of a progress payment request, it reasonably appears in the sole discretion of Agency, that the work specified in Exhibit "B" cannot be fully accomplished and brought to completion for the total amount of compensation set forth in Paragraph 1 above.

6. If Agency should terminate this Agreement as provided in Paragraph 5 above, Agency agrees to reimburse City for all of its actual reasonably incurred expenses related thereto prior to the termination.

7. As to improvements located upon City-owned land, City shall have the right to execute such change orders affecting the work as seen in its discretion reasonable and appropriate. However, as to improvements undertaken upon Agency-owned land, Agency shall approve all such change orders except those which, in the judgement of the City Engineer, are necessary to prevent interruption of the work which would result in a substantial increase in cost to the Agency, or necessary to protect the work or equipment or materials to be used in the work or human safety from substantial and immediate danger of injury, or necessary to protect, where damage or injury has occurred, the work or equipment or materials to be used in the work or human safety from further or additional damage or injury or deterioration thereto. City shall have the right to expend funds from one of the line item categories set forth in Paragraph 4 above for the purpose specified in another of said categories upon the exhaustion of funds for the latter category, provided that City reasonably believes that all of the specified improvements can be accomplished and brought to completion for the total sum set forth in Paragraph 1 above. Further, City shall notify Agency immediately upon its determination that it is not reasonably probable that the

specified improvements can be accomplished and brought to completion for the total sum set forth in Paragraph 1 above. Upon such notification by City as set forth in Paragraph 5 above, or upon such determination by Agency as set forth in Paragraph 7 above, Agency shall at its option either (i) terminate the Contract forthwith and pay City its reasonable actual expenditures expended to the date of termination, or (ii) obtain an increased appropriation of funds and amend this Agreement with City to so provide.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

REDEVELOPMENT AGENCY OF THE CITY
OF SACRAMENTO

By _____
Executive Director

APPROVED AS TO FORM:

General Counsel

CITY OF SACRAMENTO

APPROVED:

By _____
City Manager

Finance Department

ATTEST:

Cost Code _____

City Clerk

Organization No. _____

Organization Approval

82-056
RESOLUTION No. _____

AUG - 3 1982

PROJECT DESCRIPTION

Location of Project:

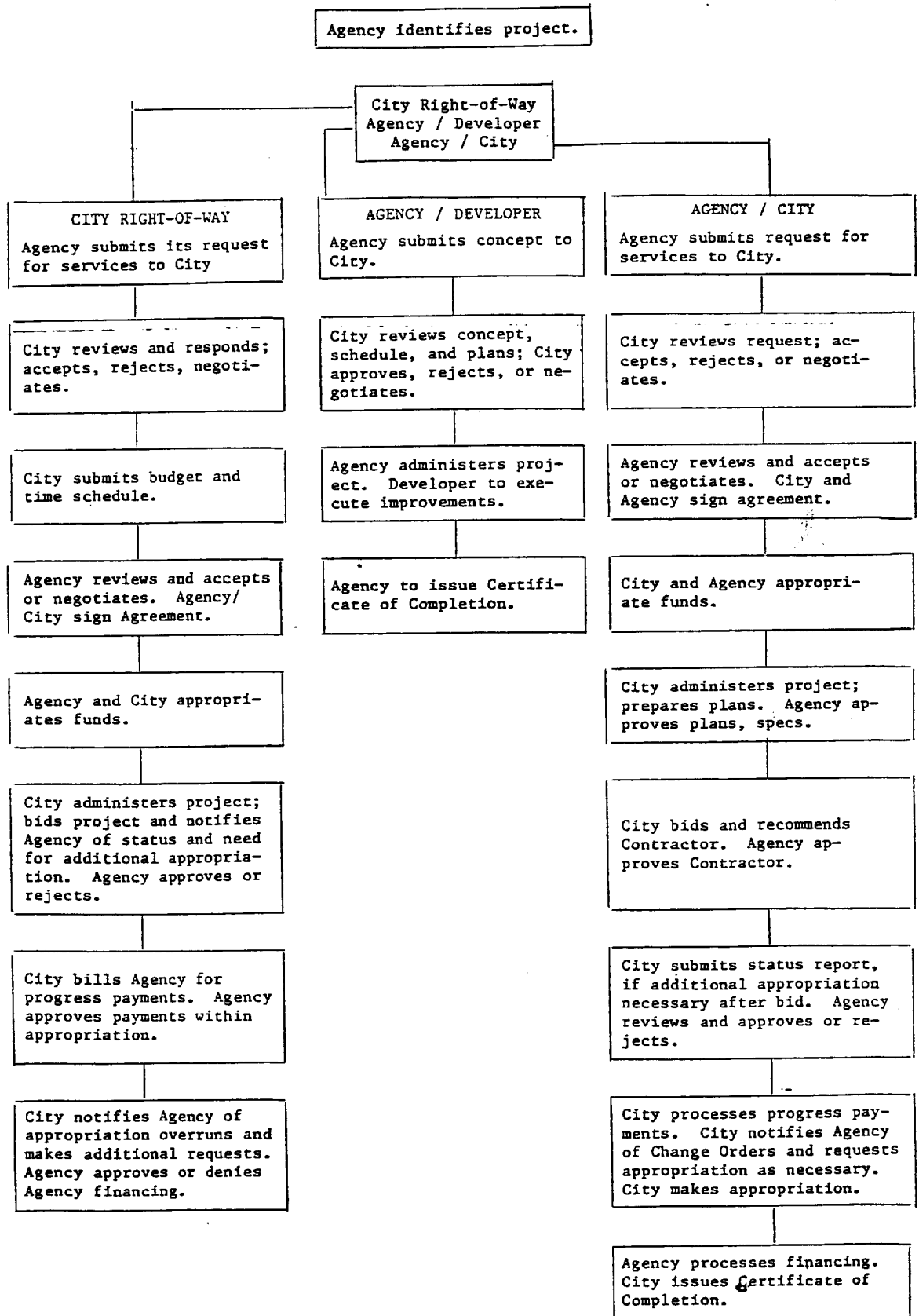
Description of Improvements:

82-056

RESOLUTION No. _____

AUG - 3 1982 (13)

FLOW CHART



MONTHLY CONTRACTOR ITEMIZATION

82-056

(16)

RESOLUTION No. _____

AUG - 3 1982

MONTHLY PROGRESS REPORT
for Month of _____

Organization _____ Project _____

Name of Person Completing Form _____

Telephone _____

A. Operating Steps Taken: (List major activities such as hiring of staff, signing of contract, purchase of equipment or supplies, etc.)

B. Accomplishments This Month: (List services provided, rehabilitations performed, construction completed, etc.)

C. Problems Encountered:

D. Extent of Project Completion to Date: _____ %

RESOLUTION NO. _____

Adopted by the Redevelopment Agency of the City of Sacramento

November 5, 1980

GRANTING CERTAIN AUTHORITY TO THE
EXECUTIVE DIRECTOR TO ISSUE CHANGE ORDERS AND
SUPPLEMENTAL AGREEMENTS ON CONSTRUCTION CONTRACTS

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY
OF SACRAMENTO:

Section 1. The Executive Director is authorized to issue change orders and to negotiate supplemental agreements pertaining to construction contracts of the Agency as follows:

(a) For contracts originally awarded for a price of less than One Hundred Thousand Dollars (\$100,000), the Executive Director may issue change orders or negotiate supplemental agreements not to exceed an increase in the contract price of Five Thousand Dollars (\$5,000) for any single change order or supplemental agreement, or the sum of all such change orders and supplemental agreements.

(b) For contracts originally awarded for a price of at least One Hundred Thousand Dollars (\$100,000) to not more than Five Hundred Thousand Dollars (\$500,000), the Executive Director shall have the authority to issue change orders and to negotiate supplemental agreements not to exceed an increase in the contract price of Ten Thousand Dollars (\$10,000) for any single change order or supplemental agreement; provided, however, notwithstanding the foregoing, the sum of all such change orders and supplemental agreements for any single contract shall not exceed five percent (5%) of the original contract price, or Twenty-Five Thousand Dollars (\$25,000), whichever is the lesser.

(c) For contracts originally awarded for a price exceeding Five Hundred Thousand Dollars (\$500,000), the Executive Director shall have the authority to issue change orders and to negotiate supplemental agreements not to exceed an increase in the contract price of Ten Thousand Dollars (\$10,000) for any single change order or supplemental agreement; provided, however, notwithstanding the foregoing, the sum of all such change orders and supplemental agreements for any single contract shall not exceed five percent (5%) of the original contract price or Fifty Thousand Dollars (\$50,000), whichever is the lesser.

Section 2. The authority of the Executive Director to issue additional change orders and negotiate additional supplemental agreements to the accumulative total specified in Section 1 above, shall be restored to the extent that prior change orders and supplemental agreements issued and negotiated pursuant to the authority of the Executive Director shall have been specifically subsequently ratified and authorized by the Governing Board.

82-056

RESOLUTION No. _____

(19)

AUG - 3 1982

Section 3. Notwithstanding the foregoing, in the event that it becomes necessary in the discretion of the Executive Director to issue a change order or negotiate a supplemental agreement in order to:

(a) prevent interruption of the work which would result in substantial increase in cost to the Agency; or

(b) protect the work or equipment or materials to be used in the work, or human safety or the environment at or near the site of the work from substantial and immediate danger of injury; or

(c) protect, where damage or injury has occurred, the work, or equipment or materials to be used in the work, or human safety or the environment at or near the site of the work from further or additional damage or injury or deterioration caused by man, nature or other source;

then, the Executive Director shall have the authority to issue change orders or to negotiate supplemental agreements in such sums as may reasonably be necessary for such purposes; provided, however, the Executive Director shall report to the Governing Board regarding any such action as soon as reasonably possible.

Section 4. Notwithstanding anything to the contrary in the foregoing, the authority of the Executive Director to issue change orders and to negotiate supplemental agreements shall be limited to the scope of the original contract or to protect the safety of human life and the environment at or near the site of the work.

Section 5. Notwithstanding anything to the contrary in the foregoing, the authority of the Executive Director to issue change orders for assessment district proceedings will be controlled by the Improvement Act of 1911 (Streets and Highways Code, Division 7, Chapter 8.5, Sections 5230, et seq.).

Section 6.

(1) As used in this resolution, "change order" shall mean a unilateral order to change the amount of work to be done on a construction contract which is anticipated to result in an increase in contract price.

(2) As used in this resolution, "supplemental agreement" shall mean a bilateral agreement executed by the Agency and a contractor on a construction contract which results in an increase in contract price.

(3) The foregoing definitions shall not be construed to affect the authority of the Executive Director to issue change orders or to negotiate supplemental agreements to delete work or to order changes in the work at decreased price or no change of price.

CHAIRPERSON

82-056

ATTEST:

SECRETARY

(20)

AUG 8 1982

ORDINANCE NO.

FOURTH SERIES

AN ORDINANCE ADDING ARTICLE VI TO CHAPTER
58 TO THE SACRAMENTO CITY CODE PERTAINING
TO CHANGE ORDERS AND SUPPLEMENTAL AGREEMENTS
AND SPECIFYING THE AUTHORITY OF THE CITY
MANAGER TO ISSUE CHANGE ORDERS OR NEGOTIATE
SUPPLEMENTAL AGREEMENTS ON PUBLIC WORKS CONTRACTS

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

SECTION 1.

Article VI is hereby added to Chapter 58 of the Sacramento City Code to read as follows:

Article VI. Change Orders and Supplemental Agreements

Sec. 58.601 Definitions

- (1) As used in this section, "change order" shall mean a unilateral order to change the amount of work to be done on a public works contract which is anticipated to result in an increase in contract price.
- (2) As used in this section "supplemental agreement" shall mean a bilateral agreement executed by the City and a contractor on a public works contract which results in an increase in contract price.
- (3) The foregoing definitions shall not be construed to affect the authority of the City Manager to issue change orders or to negotiate supplemental agreements to delete work or to order changes in the work at decreased price or no change of price.

Sec. 58.602 Authority of City Manager

The City Manager is authorized to issue change orders and to negotiate supplemental agreements as follows:

- (1) For contracts originally awarded for a price of less than \$100,000.00, the City Manager may issue change orders or negotiate supplemental agreements not to exceed an increase in contract price of \$5,000.00 for any single change order, supplemental agreement, or the sum of all such change orders and supplemental agreements.

- (2) For contracts originally awarded for a price exceeding \$100,000.00, but less than \$500,000.00, the City Manager shall

82-056

RESOLUTION No. _____
(21)

AUG - 3 1982

have authority to issue change orders and to negotiate supplemental agreements not to exceed an increase in contract price of \$10,000.00 for any single change order or supplemental agreement; provided, however, notwithstanding the foregoing, the sum of all such change orders and supplemental agreements for any single contract shall not exceed five percent (5%) of the original contract price or \$25,000.00, whichever is less.

(3) For contracts originally awarded for a price exceeding \$500,000.00, the City Manager shall have authority to issue change orders and to negotiate supplemental agreements not to exceed an increase in contract price of \$10,000.00 for any single change order or supplemental agreement; provided, however, notwithstanding the foregoing, the sum of all such change orders and supplemental agreements for any single contract shall not exceed five percent (5%) of the original contract price or \$50,000.00, whichever is less.

(4) Notwithstanding the foregoing, in the event that it becomes necessary in the discretion of the City Manager to issue a change order or negotiate a supplemental agreement in order to:

(a) prevent interruption of the work which would result in substantial increase in cost to the City; or,

(b) protect the work or equipment or materials to be used in the work, or human safety or the environment at or near the site of the work from substantial and immediate danger of injury; or,

(c) protect, where damage or injury has occurred, the work, or equipment or materials to be used in the work, or human safety or the environment at or near the site of the work from further or additional damage or injury or deterioration caused by man, nature or other source;

then, the City Manager shall have authority to issue change orders or to negotiate supplemental agreements in such sums as may reasonably be necessary for such purposes; provided, however, in the event any such action exceeds the specific authority set forth in the foregoing, the City Manager shall report to the City Council regarding any such action as soon as reasonably possible.

(5) The authority of the City Manager to issue additional change orders and to negotiate additional supplemental agreements to an accumulative total as specified above shall be restored to the extent that prior change orders and supplemental agreements issued and negotiated pursuant to the authority of the City Manager shall have been specifically subsequently ratified and authorized by the City Council.

Sec. 58.603 Limitation

Notwithstanding anything to the contrary in the foregoing, the authority of the City Manager to issue change orders and to negotiate supplemental agreements shall be limited to the scope of the original contract or to protect the safety of human life and the environment at or near the site of the work.

Sec. 58.604 Assessment Districts

Notwithstanding anything to the contrary in the foregoing, the authority of the City Manager to issue change orders for assessment district proceedings will be controlled by the Improvement Act of 1911 (Streets and Highways Code, Division 7, Chapter 8.5, Sections 5230, et seq.)

Sec. 58.605 Variance

Notwithstanding any other provision of this article, the City Council may by resolution increase the above limitations of authority to issue change orders or to negotiate supplemental agreements where the circumstances surrounding a public works project are such that a variance is appropriate.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

MAYOR

ATTEST:

CITY CLERK

82-056

RESOLUTION No. _____ (23)

AUG - 3 1982