



August 5, 2010

The Honorable Mayor Kevin Johnson
and Honorable Members of the City Council
City of Sacramento
915 I Street
Sacramento, CA 95814

Dear Mr. Mayor and Members of the City Council:

Sunstate Equipment Co. has been operating a construction equipment rental business in the City of West Sacramento since 1998. Our corporate headquarters are located in Phoenix, Arizona. We recently learned of the resolution passed by the council directing all City Departments to boycott future contracts along with the purchase of goods and services from Arizona-based vendors, and to review and cancel current contracts with businesses headquartered in Arizona. Although we were recently awarded the annual contract to provide rental equipment to the City of Sacramento's Department of Transportation, Concrete Division, we were just notified that the City could no longer do business with us.

As an Arizona business with a local presence that contributes to the employment and tax base of the Sacramento area, we would like to express our disappointment with the Council's short-sighted decision. By eliminating our ability to provide goods and services to the City of Sacramento, you are in effect, directly harming the individuals that work in our West Sacramento branch. Due to the economic downturn we have already had to lay off several quality people and by further reducing potential sources of revenue, others may stand to lose their jobs if this type of illogical boycotting catches on with other municipalities and private businesses. Another way our hard working California resident employees could be harmed is by a reduction in hours due to a reduced workload caused by any boycott.

Sunstate currently employs hundreds of people in the State of California. If the idea is to harm our business to the point where we were forced out of business, again, the real losers here would be the California residents who earn their living through employment with Sunstate.

www.SunstateEquip.com

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Regardless of any individual's viewpoint on the positives or negatives of Arizona SB 1070 and HB 2162, seeking to harm businesses based solely on the fact that they are based in Arizona is an irrational way to express it. Sunstate did not have any say in either bill's passage or implementation. If the highly regulated nature of California's business environment were not enough to deter additional investment from outside companies in California, this kind of thoughtless boycott certainly will give them something else to consider.

We respectfully request that you reconsider your decision and ask yourselves: if the shoe were on the other foot, would you expect and accept like treatment?

Sincerely,



Chris Watts
President
Sunstate Equipment Co., LLC
5552 E. Washington
Phoenix, AZ 85034

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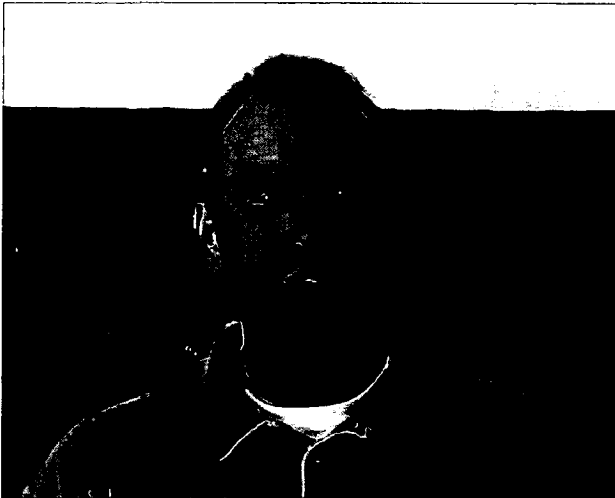
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Ramon Bastidas—1997



Terry Wagner—1998



Bernie Hilaman—2002



Kevin McCosker—2005

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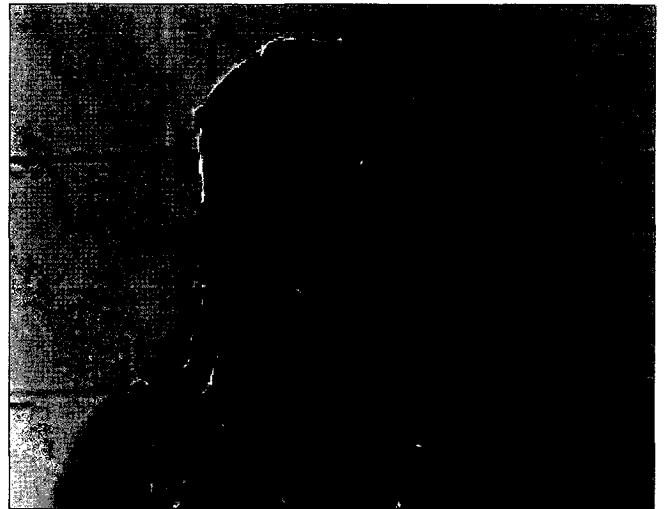
Blaine Hutson—2005



Robert Russ—2005



Tom Garcia—2005



Jackie Fitzgerald—2006

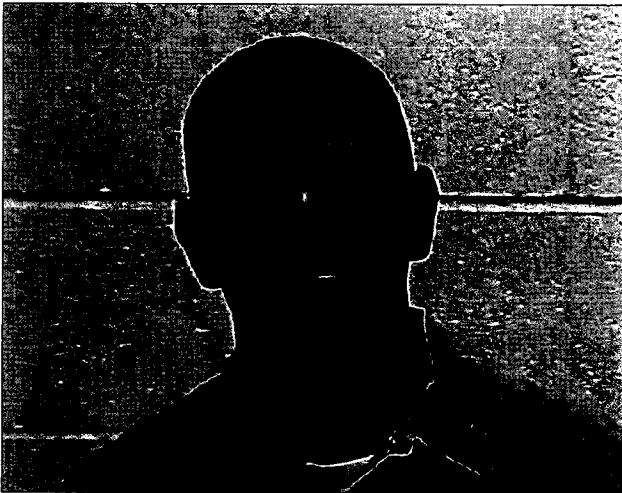
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Justin Flannery—2006



Lina Garcia—2006



Jesus Wence—2006



Ramon Baeza—2007

People
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Bob Pillon—2008



Ryan Corona—2008

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