

RESOLUTION NO. 2006-470

Adopted by the Sacramento City Council

June 27, 2006

AMENDMENT TO CITY AGREEMENT 2005-0091 WITH NATOMAS GATEWAY LLC

BACKGROUND

- A. Paragraph 5 of Resolution No. 2005-515, which the City Council adopted on June 28, 2005, authorized the City Manager to enter into an agreement with Natomas Gateway for the following purposes: first, to purchase from Natomas Gateway the plans and specifications relating to a traffic signal at the T-intersection of Arena Boulevard and El Centro Road in the City's Natomas area (Traffic Signal No. 9); and second, to reimburse Natomas Gateway for other "appropriate and related expenses." According to the staff report that recommended approval of the resolution, Natomas Gateway's "appropriate and related expenses" include costs incurred for permitting, inspection, and testing in connection with the signal.
- B. The cost of the plans and specifications was \$12,500, and the amount to be reimbursed for permitting, inspection, testing, and other appropriate and related expenses was \$13,540.43, for a total of \$26,040.43. Yet recital G of the resolution erroneously lists the total cost as only \$12,500, an error reflected in paragraph 5.
- C. Subsequent to June 21, 2005, the City Manager entered into an Agreement for Purchase of Plans & Specifications with Natomas Gateway (City Agreement No. 2005-0091), under which the City paid Natomas Gateway \$12,500 for the plans and specifications. But nothing in the agreement addresses the reimbursement of Natomas Gateway for its other "appropriate and related expenses." Even so, Natomas Gateway delivered to the City all of the reports and other documents associated with permitting, inspection, testing, and other necessary and appropriate services related to the signal.
- D. Using not just the plans and specifications but also the reports and other documents, the City subsequently constructed the signal, which has been in operation since August 2005.
- E. The Agreement for Purchase of Plans & Specifications should be amended to correct the administrative oversight that resulted in Natomas Gateway not being reimbursed for "appropriate and related expenses," as the City Council intended when it adopted Resolution No. 2005-515.
- F. The signal is a designated improvement of, and is funded by, the North Natomas Financing Plan.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:

1. City Council finds that the recitals set forth above are true.
2. The City Manager is authorized to execute an amendment to City Agreement 2005-0091 that will accomplish the following purposes: (a) clarifying that the City not only agreed to purchase the plans and specifications for the signal but also agreed to reimburse Natomas Gateway for all appropriate and related expenses, including but not limited to expenses associated with permitting, inspections, testing, and other necessary and appropriate services related to the signal, and (b) increasing the amount the City is to pay Natomas under the agreement from \$12,500 to \$26,040.43
3. The City Manager is further authorized to increase appropriations in support of the signal by transferring \$13,541 from North Natomas Development Fees fund balance (780-710-7012-4999) to the fund for Traffic Signal No. 9 (780-500-SK66-4820).

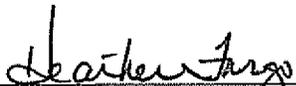
Adopted by the City of Sacramento City Council on June 27, 2006 by the following vote.

Ayes: Councilmembers Cohn, Hammond, McCarty, Pannell, Sheedy, Waters,
and Mayor Fargo.

Noes: None

Abstain: None.

Absent: Fong, Tretheway.



Mayor, Heather Fargo

Attest:



Shirley Concolino, City Clerk