



## AGENDA

### Government Relations & Public Affairs Committee

Monday, June 10, 2013 at 10:00 a.m.

**Roll Call:** Directors Ashby, Buckland, Davis, Stallard, Yuill, Vice Chairs Hanley and Serna, and Chair Miklos

**Public Communications:** Any person wishing to address the Committee on any item not on the agenda may do so at this time. After ten minutes of testimony, any additional testimony will be heard following the action items.

*Auburn*

*Citrus Heights*

*Colfax*

*Davis*

*El Dorado County*

*Elk Grove*

*Folsom*

*Galt*

*Isleton*

*Lincoln*

*Live Oak*

*Loomis*

*Marysville*

*Placer County*

1. Minutes of May 6, 2013 Meeting
2. Reporting and Paying the Value of Employer Paid Member Contributions for FY 2013/14 ◀ (Mr. Trost)
3. Updated SACOG Purchasing Policies and Procedures ◀ (Mr. Trost)
4. State Advocacy Update (Mr. Johnson)
5. SACOG Advocacy Procedures (Mr. Johnson)
6. Rural-Urban Connections Strategy Stakeholder Workshops Update (Ms. Hernandez)
7. Blueprint Implementation & Air Quality Presentation (Mr. McKeever/ Mr. Greene)
8. Other Matters
9. Adjournment

◀ Indicates Action

Prepared by:

Mike McKeever  
Chief Executive Officer

Approved by:

Steve Miklos  
Chair

**Next committee meeting: Monday, August 5, 2013**

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*Parking is available at 15th and K Streets*



## Government Relations & Public Affairs Committee

**Item #13-6-1  
Action**

June 3, 2013

### **Minutes of May 6, 2013 Meeting**

**Issue:** The Government Relations & Public Affairs Committee met on May 6, 2013.

**Recommendation:** Approve the minutes of the meeting as submitted.

**Discussion:** Attached are the minutes of the May 6, 2013, Government Relations & Public Affairs Committee meeting for approval.

Approved by:

Mike McKeever  
Chief Executive Officer

MM:ef

Attachment

Key Staff: Kirk Trost, Chief Operating Officer/General Counsel, (916) 340-6210  
Erik Johnson, Government & Media Affairs Coordinator, (916) 340-6247

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**SACRAMENTO AREA COUNCIL OF GOVERNMENTS  
GOVERNMENT RELATIONS & PUBLIC AFFAIRS COMMITTEE**

**DRAFT ACTION MINUTES**

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The SACOG Government Relations & Public Affairs Committee met on May 6, 2013 in the Sacramento & American Rivers rooms on the Third Floor of the Meridian Plaza Building located at 1415 L Street, Sacramento, CA at 10:00 a.m.

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CALL TO ORDER: Vice Chair Serna called the meeting to order at 10:01 a.m.

ROLL CALL: Present: Directors Buckland, Davis, Denny for Stallard, Rohan (non-voting), Yuill, Vice Chairs Serna, and Hanley

Absent: Director Ashby and Chair Miklos

**1. Minutes of April 8, 2013 Meeting**

Upon motion by Director Buckland, seconded by Director Yuill, and carried unanimously, the minutes of April 8, 2013 Government Relations & Public Affairs Committee meeting were approved without any changes.

**2. Fiscal Year 2012-13 Overall Work Program Amendment #5**

Upon motion by Vice Chair Serna, seconded by Director Davis, and carried unanimously, the Government Relations & Public Affairs Committee recommends that the Board approve Amendment #5 to the OWP for Fiscal Year 2012-13.

**3. Final Budgets for Fiscal Year 2013-14**

Upon motion by Director Davis, seconded by Director Buckland, and carried unanimously, the Government Relations & Public Affairs Committee recommends that the Board adopt the Fiscal Year 2013-14 (1) SACOG Operations Budget, including the Indirect Cost Plan, and (2) Board of Directors and Advocacy Budget.

**4. Final Overall Work Program for Fiscal Year 2013-14**

Upon motion by Vice Chair Serna, seconded by Director Davis, and carried unanimously, the Government Relations & Public Affairs Committee recommends that the Board adopt the Final Fiscal Year 2013-14 OWP.

**5. State Advocacy Update**

The committee received and discussed this report, presented by Erik Johnson, SACOG staff.

**6. Federal Advocacy Update**

The committee received and discussed this report, presented by Rebecca Sloan, SACOG staff.

**7. North State Water Alliance Update**

The committee received and discussed this report, presented by David Shabazian, SACOG staff.

**8. Background Briefing on Blueprint and Metropolitan Transportation Plan/Sustainable Communities Strategy 2035**

The committee received and reviewed this report, presented by Mike McKeever, SACOG staff. Teri Duarte, representing WALKSacramento; Joshua Wood representing Region Builders, Inc., and Terry Davis, representing Sierra Club, spoke on this item.

**9. Flexible Funds Programming Round Policy Framework & Application**

The committee received and discussed this report, presented by Matt Carpenter, SACOG staff.

**10. May is Bike Month 2012 Recap and 2013 Campaign Update**

The committee received and reviewed this report, presented by A.J. Tendick, SACOG staff.

**11. Other Matters**

There were no other matters discussed.

**12. Opposition to HUD Field Office Closure**

The committee received and discussed this report, presented by Mike McKeever, SACOG staff.

**13. Adjournment**

Chair Serna adjourned the meeting at 12:17 a.m.



**Item #13-06-2  
Action**

**Government Relations & Public Affairs Committee**

June 3, 2013

**Reporting and Paying the Value of Employer Paid Member Contributions for FY 2013/14**

**Issue:** Should the Board approve a resolution for reporting and paying the value of CalPERS employer-paid member contributions (EPMC) for FY 2013-14?

**Recommendation:** That the Government Relations & Public Affairs Committee recommends that the Board approve the resolution for reporting and paying the value of EPMC for FY 2013-14, for both retirement tiers.

**Discussion:** This item and the accompanying resolution will be provided prior to the committee meeting.

Approved by:

Mike McKeever  
Chief Executive Officer

MM:KET:ef

Key Staff: Kirk Trost, Chief Operating Officer/General Counsel, (916) 340-6210  
David Ghorso, Finance Manager, (916) 340-6258



**Item #13-6-3  
Action**

## **Government Relations & Public Affairs Committee**

June 3, 2013

### **Updated SACOG Purchasing Policies and Procedures**

**Issue:** Whether to recommend that the Board of Directors approve the proposed updates to SACOG's Purchasing Policies and Procedures.

**Recommendation:** That the Committee recommend that the SACOG Board approve the attached, updated Purchasing Policies and Procedures.

**Discussion:** SACOG's Purchasing Policies and Procedures ("Purchasing Policies") set forth the procedures used to ensure an efficient, fiscally responsible purchasing system for the acquisition of goods and services. The Purchasing Policies also delineate the contracting authority of SACOG staff and the SACOG Board.

SACOG's current Purchasing Policies were adopted approximately eight years ago, in June 2005. Staff has prepared a comprehensive update to the current Purchasing Policies to consolidate various related policies in one document, to provide additional detail regarding the various contracting procedures used to establish third party consulting contracts, and to incorporate new state and federal guidance and regulations.

Based on comments from the Committee in the recent past about the low level of contracting authority, staff examined the contracting authority delegated to the executives at a number of SACOG member agencies, as well as state and federal guidance available on third party contracting compliance. Based on that review, staff is recommending an increase in delegated authority to staff.

A summary of the key differences between the current Purchasing Policies and the proposed update is provided in **Attachment A**. A complete copy of the updated Purchasing Policies is provided in **Attachment B**.

Approved by:

Mike McKeever  
Chief Executive Officer

KT:le  
Attachments

Key staff: Kirk E. Trost, Chief Operating Officer/General Counsel, (916) 340-6210

## Attachment A

### Summary of Key Differences

The proposed update to the Purchasing Policies and Procedures (“Purchasing Policies”) includes the following key additions and modifications:

- Environmental and Energy Efficiency Preference: This is a statement that, to the extent practicable and economically feasible, federally funded procurements will reflect a preference for products and services that conserve natural resources, protect the environment, and are energy efficient. This statement is required under recently enacted federal regulations.
- Code of Conduct: This is a policy prohibiting SACOG employees and Board members from participating in the selection, award, or administration of a contract in which that person has a conflict of interest. It also sets forth the potential disciplinary action that will be applied to SACOG employees who violate the policy. The proposed Code of Conduct is generally consistent with the Code of Conduct SACOG included in its application for its HUD Sustainable Communities regional planning grant.
- Increased Contracting Authority: The current Purchasing Policies include a contract approval threshold of \$20,000 for SACOG’s Chief Executive Officer. Outside counsel undertook a survey of executive approval thresholds for several of SACOG’s member agencies, including the Cities of Sacramento, Folsom, Rancho Cordova, and Elk Grove, and the County of Sacramento. Based on that survey, counsel recommended an increase in the delegated contract authority to \$50,000, which is in the lower range of the member thresholds reviewed.
- Local Contracting Preference: Staff has incorporated the approved Local Contracting Preferences and Business Engagement Strategy, as discussed and approved by the SACOG Board in April 2013.
- Revised Procurement Thresholds: The current Purchasing Policies require formal bidding for contracts in excess of \$20,000, and require the SACOG Board to approve RFP’s in excess of this amount, unless the scope of work is included in the Overall Work Program (“OWP”) or SACOG budget. The revised policy increases the threshold for formal bidding and RFP approval to \$50,000, consistent with the recommended increase in contracting authority for the CEO. The update does not modify the requirement that RFPs be brought to the SACOG Board for approval if they are not included in the OWP or budget. Again, the new threshold is in the lower range of similar member thresholds reviewed.
- Procedures for Sealed Bids: This is a procedure for utilizing sealed bids that must be awarded to the lowest price, responsive, responsible bidder, when required by state or federal law, such as construction contracts, or when a firm, fixed price contract is appropriate and no discussion with bidders is needed.

- Procedures for Architectural and Engineering Services Contracts: This section documents the qualifications-based bidding procedure currently utilized by SACOG for Architectural and Engineering services, as defined by state and federal law. These procedures require that bidders be ranked based on qualifications, without consideration for price. Once the most qualified bidder is identified, the cost proposal for that bidder can be opened and the price can be negotiated. Failing an agreement on price, SACOG can negotiate with the next most qualified bidder until an agreement can be reached at a fair price.
- Sole Source Contracting Procedures: This section provides additional detail regarding when sole source contracting is appropriate based on the type of funds to be utilized (i.e., federal vs. local funding).
- Additional Advertising Requirements: This section has been revised to reflect SACOG's current practice of publishing notice of a procurement on its website and in a newspaper of general circulation, as required by state and federal contracting regulations.
- Protest Procedures: The update incorporates a bid protest procedure, consistent with SACOG's current practices and federal law.
- Performance and Payment Bond Requirements: The update incorporates standard federal requirements related to performance and payment bonds for construction contracts.
- Cost or Price Analysis (Attachment A to Purchasing Policies): The update includes a template cost or price analysis to be completed before every federal procurement over \$2,500 to independently ensure that SACOG is receiving goods and services at a reasonable price. The use of a template will standardize the required cost and price analysis process performed by SACOG Project Managers.
- History of the Procurement (Attachment B to Purchasing Policies): The update includes a template form to standardize documentation of each Project Manager's rationale for selecting a method of procurement (e.g., sole source vs. request for proposals) and rationale for the type of contract awarded (e.g., time and materials vs. fixed price).
- Documentation of Quotes Acquired by Telephone (Attachment C to Purchasing Policies): The update includes a template form to standardize documentation when telephone quotations are used for contracts under \$50,000, pursuant to the Purchasing Policies.
- Guidelines for Evaluating RFPs (Attachment D to Purchasing Policies): This form provides suggested criteria for evaluating proposals submitted in response to RFPs, to standardize SACOG's evaluation process.



**SACRAMENTO AREA COUNCIL OF GOVERNMENTS**  
**PURCHASING POLICIES AND PROCEDURES**

**Adopted \_\_\_\_\_, 2013**

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# I. GENERAL PROVISIONS

## A. Introduction and Purpose

These Purchasing Policies and Procedures (“Procedures”) are established for use by the Sacramento Area Council of Governments, a Joint Powers Authority (“SACOG”), for the award of SACOG Contracts.

SACOG is responsible for its own product and services acquisitions. This process includes ensuring the necessity of procuring the product or service, ensuring appropriate funding is available, complying with laws, and writing contracts in a manner that safeguards the program’s and the organization’s interest. These Procedures are designed to ensure the best and most cost effective use of program funds through an open and fair procurement process.

SACOG management must maintain a written record of all persons authorized to sign contracts, including copies of all resolutions or letters delegating such authority to SACOG personnel.

These Procedures are for the use of SACOG’s Board of Directors and staff and shall not be construed to create or recognize any procedural or other right in any person or entity, including, but not limited to, any bidder, prospective bidder, or party to a Contract with SACOG. The Board of Directors may adopt standard specifications setting forth procedures and controls for Contracts and the bidding and award thereof, to modify or supplement these Procedures. The Board of Directors may amend these Procedures from time to time.

## B. Policy

It is the policy of SACOG that goods and services be acquired through a procurement process that provides full and open competition to the maximum extent feasible, consistent with federal and state statutes and regulations and that such procurements shall be consolidated, whenever possible, to ensure efficient use of SACOG staff resources. SACOG will only contract with responsible contractors possessing the ability to perform successfully.

No Board member, officer, employee or agent of SACOG shall, on the grounds of race, color, creed, national origin, sex, age, or sexual orientation, discriminate or permit discrimination against any person or group of persons in connection with the procurement of goods and services.

It is the policy of SACOG that SACOG and its contractors shall take all reasonable steps to ensure that disadvantaged business enterprises (DBEs) have the maximum opportunity to compete for SACOG contracting opportunities.

## C. Responsibilities

The SACOG Finance Manager or equivalent position (“Finance Manager”) is responsible for

administration of this policy, and for ensuring funds are available. The Finance Manager may delegate responsibility for implementation to staff members of the Finance Department.

Under the authority of the Finance Manager, the Finance Department shall develop and maintain standard purchasing forms, purchase orders, and other forms as necessary to implement this policy and the procedures identified.

SACOG Directors and Team Managers are responsible for becoming familiar with this policy and for adhering to and carrying out this policy in their departments, for ensuring that these procedures are followed, for approving or recommending approval of the procurement of goods and services necessary to accomplish the goals of SACOG, and for reviewing the proposed procurements to avoid the purchase of unnecessary or duplicative items. SACOG Directors may delegate these responsibilities to the Project Manager or Team Manager initiating the procurement.

#### **D. Definitions**

1. “A&E Contract” means a contract for architectural or engineering services, which includes program management, construction management, feasibility studies, preliminary engineering, design, architectural, landscape architecture, environmental services (including environmental documentation), engineering, surveying, mapping, and related services. Such services must be directly in support of, directly connected to, directly related to, or lead to construction, alteration, or repair of real property.
2. “Board” means SACOG’s Board of Directors.
3. “Construction Contract” means a contract for a specified individual project of construction, alteration, renovation, improvement, demolition, or repair work involving a public facility, but not including Maintenance.
4. “Contract” means a Construction Contract, Special Services Contract, Supply Contract and any other agreement, whether written, oral or otherwise, that evidences a legal obligation, including, but not limited to, any contract, lease, purchase order, change order, or similar thing, and any amendment thereto.
5. “Director” means the responsible SACOG employee at the Director level of management.
6. “Emergency” means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss and impairment of life, health, property, or essential public services.
7. “Chief Executive Officer” or “CEO” means the Chief Executive Officer of SACOG or another individual given written authorization by the Board of Directors or the CEO, to enter into a transaction on behalf of SACOG.

8. “Invitation for Bid” or “IFB” means a solicitation for sealed bids which will be awarded to the responsible, responsive bidder whose bid is lowest in price and conforms to all the material terms and conditions in the IFB.
9. “Non-Federal Contracts” means a Contract that will be funded with State and/or local funds only. No federal funds will be utilized to pay the selected vendor or contractor.
10. “Maintenance” means ongoing maintenance and other services, including, but not limited to, real property maintenance, janitorial services, elevator maintenance and repair, equipment maintenance and repair, landscaping and other such services.
11. “Project Manager” means the SACOG staff member assigned administrative responsibility for a Contract or procurement.
12. “Purchase” means the purchase, rental, or leasing of supplies, goods, equipment, materials, and other personal property.
13. “Request for Proposal” or “RFP” means a solicitation for competitive proposals, used to acquire services, supplies, or property. “Request for Proposal” (“RFP”), as used in these Procedures, also includes a “Request for Qualifications” (“RFQ”).
14. “Special Services Contract” means a contract for special services which cannot readily be provided by SACOG's employees. "Special Services" include, but are not limited to, financial, economic, accounting (including the preparation and issuance of payroll checks and warrants), legal, medical, administrative, security, maintenance, operational, advertising, and related services and any other services of a similar nature.
15. “Supplies” means supplies, goods, equipment, materials, and other personal property, excluding such items used in or incorporated into a specified individual project of construction, alteration, renovation, improvement, demolition, or repair work involving a public facility.
16. “Supply Contract” means any Contract for the Purchase of Supplies.

#### **E. Basic Contracting Process**

The contracting process starts with the recognition of a need for a product or service. From that point the process varies depending on the type of product or services needed. Key considerations include:

- *Time* – When the product or service is needed is a critical factor.
- *Cost and Funding* – Funding and payment for services rendered is important. The program should have funding available within its budget for the fiscal year in which the required services will be performed. If a multi-year contract, the necessary contingencies should be incorporated into the terms of the contract.

Prior to commencing any procurement or amending an existing contract that is over \$2,500 and utilizes federal funds, the Project Manager must complete a Cost or Price Analysis Form, attached hereto as Attachment A.

- *Competitive Bidding* – Selection of a contractor must be the result of an open and fair process in which all qualified providers of the product or service desired have the opportunity, and the information necessary, to submit a bid or proposal.
- *Management of the Contract* – The final step of managing the contract should be anticipated and planned during the contracting process. Deliverables should be clearly described so that they can be evaluated and payments can be approved.

For each contract utilizing federal funds and in excess of \$2,500, the contract file must contain a completed “History of the Procurement,” in the form attached hereto as Attachment B. This form must be completed by the Project Manager as applicable for each project.

#### **F. Environmental and Energy Efficiency Preference**

To the extent practicable and economically feasible, federally funded procurements will reflect SACOG’s preference for products and services that conserve natural resources, protect the environment, and are energy efficient.

#### **G. Record Keeping**

SACOG shall prepare and maintain purchasing and financial records, covering procurement transactions as well as other aspects of project implementation for three years after final payment has been made and all other pending matters are closed. No purchase shall be made without an authorized Purchase Order, pursuant to SACOG’s approved Purchase Order Policy.

#### **H. Federal Contract Requirements**

Federally funded contracts shall require compliance with Federal law and shall include the following contract clauses and requirements: “Responsibility” Requirements; Debarment and Suspension; Conflict of Interest; Lobbying Certification and Disclosure; Federal Civil Rights Laws and Regulations; Labor and Prevailing Wage Laws and Regulations; and Disadvantaged Business Enterprise Requirements.

#### **I. Code of Conduct**

1. Award and Administration of Contracts: No Board Director, officer, employee or agent of SACOG shall participate in the selection, award or administration of a contract (including purchase orders) if a conflict of interest, real or apparent, would be involved. Such a conflict would arise if any prospective vendor or contractor (or any subcontractor) considered for an award is:

- a. The Board Director, employee, officer or agent;
- b. Any member of his/her immediate family;
- c. His/her domestic or business partner;
- d. An organization that employs any of the above, or with which any of them has an arrangement concerning prospective employment.

No Board Director, officer, employee or agent of SACOG who participates in the procurement, management, or administration of contracts shall have, directly or indirectly, a financial or other personal interest in any contract made or influenced by him/her in his/her official capacity.

No Board Director, officer, employee or agent of SACOG shall solicit or accept gratuities, favors, or anything of monetary value from consultants, vendors, contractors, or potential consultants, or parties to sub-agreements in excess of the applicable gift limit established by the Fair Political Practices Commission ("FPPC"). Gifts shall be reported consistent with FPPC requirements.

No person or entity performing services on behalf of SACOG shall have, directly or indirectly, any financial or other personal interest, other than employment or retention by SACOG, in any contract or subcontract.

Violations of these standards may result in sanctions, or other forms of discipline up to and including termination.

2. **Disciplinary Action:** The purpose of this policy is to provide guidelines consistent with the SACOG Personnel Rules that will insure uniform application of progressive discipline for SACOG employees subject to disciplinary action "for cause." The capitalized term "Employee" as used in this Subsection I.2. includes any employee, officer or agent of SACOG subject to disciplinary action "for cause."

Disciplinary Action for Cause: Disciplinary action against a SACOG Employee shall be for cause, as it may affect work performance and effectiveness within the organization.

Procedures:

- a. **Oral Reprimand:** The Employee shall be counseled concerning the unsatisfactory areas of conduct and shall be informed about methods of improvement, or the Chief Executive Officer may issue an oral reprimand. The seriousness of the Employee's conduct or offense will dictate whether oral or written reprimands or other corrective action is taken prior to initiating action to suspend or dismiss the Employee.
- b. **Written Reprimand:** In cases where an oral reprimand has not been successful or where the infraction of rules and regulations or conduct has been of a more serious nature as determined by the Chief Executive Officer, the Chief Executive Officer may employ the written reprimand. The purpose of the written reprimand is to call the attention of the

Employee to serious defects in his/her conduct. The written reprimand should include a detailed statement of the problem and a notation to the effect that the problem was discussed with the Employee. Only the Chief Executive Officer may issue a written reprimand.

c. Suspension: An Employee may be suspended for a period of time (not to exceed 30 days) in order to impress upon the Employee that continued failure to improve his/her conduct may result in dismissal. The Chief Executive Officer will issue the suspension. The seriousness of the offense will dictate whether oral or written reprimands or other corrective action is taken prior to initiating action to suspend the Employee. Consequently, oral or written reprimands are not a prerequisite to suspension.

d. Demotion: When reprimands or suspension fail to affect satisfactory conduct, or when the Employee's infraction of rules and regulations or conduct has been of a more serious nature as determined by the Chief Executive Officer, the Chief Executive Officer may demote the Employee. Consequently, oral or written reprimands or suspensions are not a prerequisite to a demotion.

e. Termination: When reprimands, suspensions, or demotions fail to affect satisfactory conduct, or when the Employee's infraction of rules and regulations or conduct has been of a more serious nature as determined by the Chief Executive Officer, the Chief Executive Officer may terminate the Employee. Consequently, oral or written reprimands, suspensions, or demotions are not a prerequisite to a termination.

Finally, SACOG employees, officers, and agents who are not subject to disciplinary action "for cause," are covered by written "at-will" employment agreements or other contracts which allow for termination by SACOG for no reason or for any reason, including, but not limited to, violations of the standards set forth in this Subsection I.2. This policy is in addition to any discipline statutorily available for those participating in the selection, award or administration of a contract if a conflict of interest exists. (Cal. Gov. Code, §§ 81000-91014.)

## **J. References**

All applicable federal and state laws and regulations are incorporated by reference in these Procedures to the extent required by law, including but not limited to: 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31 et seq.; Office of Management and Budget Circular A-102, *Grants and Cooperative Agreements with State and Local Governments*; 49 CFR, Part 18, *Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments*; Chapter 11 of 40 U.S.C., *Brooks Act*; and FTA Circular 4220.1F, *Third Party Contracting Guidance*, and any amendments thereto.

## **II. AWARDING OF CONTRACTS**

Once a vendor has been identified pursuant to the appropriate method of procurement, as set forth in Section III below, a contract must be negotiated. Sample contracts and sample requests for proposals for projects funded with both Federal and Non-federal funds are available to SACOG staff

in computer drive S:/Admin/Forms/Contracts & RFP's. No work shall commence nor may goods be ordered until a contract has been negotiated and approved, as set forth below. A purchase order must also be approved for every procurement, according to SACOG's approved Purchase Order Policy.

<b>Price Threshold</b>	<b>Method of Procurement</b>	<b>Required Approval Level</b>
Under \$2,500	Purchase Order, No Bidding Required	Project Manager
\$2,500 - \$ 10,000	Small Purchase – for Supplies/Special Services RFP – for A&E IFB – Construction (must be approved by CEO)	Director/Project Oversight Management Team Member
\$10,001 – \$50,000	Small Purchase – for Supplies/Special Services RFP – for A&E IFB – Construction	SACOG Chief Executive Officer
More than \$50,000	RFP – for Supplies/Special Services RFP – for A&E IFB – Construction	SACOG Board

**A. Supply, Special Service, and Architectural & Engineering Services Contracts**

Contracts which involve both Special Services and Supplies shall be deemed Special Services Contracts; except that such contracts for which Supplies account for more than 80% of the contract price shall be deemed Supply Contracts.

**1. Expenditures Under \$2,500**

Project Managers are authorized to award all Supply Contracts, Special Service Contracts, and Architectural & Engineering (“A & E”) Contracts when the expenditure is less than Two-Thousand, Five Hundred Dollars (\$2,500), as set forth in SACOG's Purchase Order Policy.

**2. Expenditures between \$2,500 and \$10,000**

SACOG Directors and members of the Project Oversight Management Team are authorized to award all Supply Contracts, Special Service Contracts, and A & E Contracts when the expenditure is between Two-Thousand, Five Hundred Dollars (\$2,500) and Ten Thousand Dollars (\$10,000).

**3. Expenditures between \$10,001 and \$50,000**

The Chief Executive Officer and his designee are authorized to award all Supply Contracts, Special Services Contracts, and A&E Contracts when the expenditure is between Ten Thousand, One Dollar and Fifty Thousand Dollars (\$50,000).

**4. Expenditures Exceeding \$50,000**

All Supply Contracts, Special Service Contracts, and A & E Contracts of more than Fifty Thousand Dollars (\$50,000) shall be awarded by the Board of Directors. Such contracts need not be awarded by the Board where the entire contract amount is to be paid by a state or local entity, or another joint powers agency.

**B. Construction Contracts**

The Chief Executive Officer and his designee are authorized to award all Construction Contracts when the expenditure is Fifty Thousand Dollars (\$50,000) or less. The SACOG Board of Directors shall award all Construction Contracts exceeding Fifty Thousand Dollars (\$50,000).

**C. Real Property Contracts**

**1. Contracts for the Lease of Real Property**

a. The Chief Executive Officer and his designee are authorized to lease real property for use by SACOG for a term not to exceed three years and for a rental not to exceed Five Thousand Dollars (\$5,000) per month. Any lease for a term exceeding three years, or exceeding Five Thousand Dollars per month shall be approved by the Board of Directors.

b. Notice of the intent to execute a lease under this provision shall be posted in a public place for five working days prior to execution of the lease.

**2. Contracts for the Acquisition of Real Property**

The SACOG Board of Directors shall approve all Contracts for the acquisition of Real Property, in any amount. Real Property purchased with federal funds shall comply with the Uniform Administrative Requirements for Grants and Agreements with State and Local Governments (49 CFR Pt. 18.), and the Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs (49 CFR Pt. 24).

**D. Local Contracting Preference**

To promote economic development within the SACOG region, the SACOG Board of Directors adopted a local contracting preference and business engagement strategy, as set forth below.

**1. General Criteria**

a. A local preference shall only apply to eligible contracts bid pursuant to an RFP.

b. “Local Firms” include firms with a physical office in any of SACOG’s 28 jurisdictions for at least six months prior to the issuance of the RFP. (Bidders must self-certify that they meet this definition.)

c. The local preference is applied differently for goods and non-professional services versus professional services, as set forth in Section D.2, below.

## **2. Application of the Preference**

a. Goods and Non-Professional Services: For goods and non-professional services funded with State or local dollars, if the lowest bidder is not a Local Firm, and if the next-lowest bidder is (1) within 5 percent of the low bid price, and (2) a qualified Local Firm, then the Local Firm bidder shall be awarded the contract at the price they bid.

b. Professional Services: For professional services funded with State or local dollars, staff recommends that proposals be scored on a 100-point scale, to be tailored based on the needs of the project, and allow up to 5 points to be awarded to Local Firms. Given the range of qualifications and scope of professional services contracts, the SACOG Board reserves the right to waive this policy for impracticality or when not warranted. The local preference shall be applied to A&E Contracts funded with federal dollars where knowledge of local conditions and building codes is a relevant factor, provided a sufficient number of qualified bidders are eligible to compete.

## **3. Exceptions to the Local Contracting Preferences Policy**

a. Federally funded contracts will not be eligible for a local preference, except for A&E Contracts. The federal Grants Management Common Rule prohibits the provision of a local preference to any contract involving federal funds. Federal funds cannot be awarded on a local preference basis without specific authorization by Congress.

b. “Public Projects” (i.e., construction of public buildings and works, except street maintenance or repair, including materials) will not be eligible for a local preference and will be awarded to the lowest responsible bidder.

c. A&E Contracts funded with state or local dollars will not be eligible for a local preference, but will be awarded on the basis of a qualification-based selection process.

d. No local preference will be applied when state or federal laws or regulations otherwise prohibit their application.

### III. METHODS OF PROCUREMENT

All solicitations shall include a clear and accurate description of SACOG's technical requirements for the property or services to be acquired. SACOG shall utilize the following guidelines when procuring services, supplies, and property at the specified dollar amounts:

#### A. Procurement by Small Purchasing Procedures

1. **Small Purchasing Procedures.** Small purchasing procedures may be used to acquire services, supplies, or other property totaling \$50,000 or less, except for Construction Contracts. If a potential contract amendment may cause the total contract amount to exceed \$50,000, procurement should be made by competitive proposal, as set forth in Section III.B., below.

a. A list of criteria for the materials or services to be provided must be developed.

b. Verbal or written price or rate quotations must be obtained from at least three possible sources. For the purpose of small purchases, a hard copy of a published or listed price is considered a written quotation. If verbal quotations are received, staff shall complete the "Documentation of Bids Received by Telephone" form, attached hereto as Attachment C. Verbal quotations can be difficult to enforce, so a successful verbal quotation shall be confirmed in writing by the offeror.

When small purchasing procedures are used and an award is made to other than the source with the lowest quotation, a written justification of the award decision will be made a part of the quotation record, unless the purchase is under \$2,500.

#### B. Procurement by Competitive Proposal/Request for Proposals/Request for Qualifications (RFP/RFQ)

Procurement by competitive proposal/request for proposals/request for qualifications ("RFP") shall be utilized to acquire services, supplies or property totaling more than \$50,000. RFP's for procurements that exceed \$50,000 shall be approved by the Board of Directors prior to publication, unless the scope of work is included in SACOG's Overall Work Program and adopted budget. However, any RFP may be taken to the Board if it is determined by management that there are issues surrounding the project that are of interest to the Board. Sample RFP formats to assist in processing an RFP are available to SACOG staff in computer drive S:/Admin/Forms/Contracts & RFP's.

Either a fixed price or a time and materials contract with a "not to exceed" contract amount will be awarded. The RFP method of procurement will generally be used when conditions are not appropriate for the use of sealed bids. If this procurement method is used, the following requirements will apply:

1. RFPs shall be publicized, as set forth below in Subsection III.H. below.
2. All evaluation factors will be identified, along with their relative importance;
3. Proposals will be solicited from an adequate number of qualified sources;
4. When conducting technical evaluations of the proposals received, staff shall use the “Guidelines for Criteria and Considerations in Evaluating RFPs” attached hereto as Attachment D;
5. SACOG shall interview up to five proposers, based on scoring of the submitted proposals. The Project Manager, in consultation with the proposal review panel, will determine the exact number of proposers to interview, based on scoring of proposals.
6. The contract will be awarded to the responsible firm whose proposal is most advantageous to SACOG's program when price and other factors are considered. SACOG normally will select the lowest bidder meeting the minimum qualifications, unless it can be demonstrated that accepting a higher cost proposal will provide a substantially better product or service that would justify the higher cost; and
7. In determining which proposal is most advantageous, SACOG may award the contract to the proposer whose proposal offers the best value. However, if SACOG uses the best value selection method as the basis for award, the solicitation must contain language establishing that an award will be made on a “best value” basis.

**C. Procurement by Sealed Bids/Invitation For Bid (IFB)**

If sealed bids/invitation for bids (“IFB”) are utilized, bids must be publicly solicited and a firm fixed-price contract (lump sum or unit price) will be awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is the lowest in price. IFBs for services or supplies that are anticipated to exceed \$50,000 shall be approved by the Board of Directors prior to solicitation, unless the scope of work is included in SACOG’s approved Overall Work Program and adopted budget.

1. **IFB**. IFB may be utilized when the following conditions are present:
  - a. A complete, adequate, and realistic specification or purchase description is available;
  - b. Two or more responsible bidders are willing and able to compete effectively for the business;
  - c. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price; and

- d. No discussion with bidders is needed.
2. If the IFB procurement method is used, the following requirements apply:
    - a. The IFB will be publicly advertised, as set forth below in Subsection III.H;
    - b. Bids shall be solicited from an adequate number of known suppliers, providing them sufficient time to prepare bids prior to the date set for opening the bids;
    - c. The IFB, which will include any specifications and pertinent attachments, shall define the items or services sought in order for the bidder to properly respond;
    - d. All bids will be publicly opened at the time and place prescribed in the invitation for bids;
    - e. A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder, as set forth below in Subsection IV.D. When specified in bidding documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest;
    - f. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
    - g. Any or all bids may be rejected if there is a sound, documented business reason.
  3. The IFB procurement method is the preferred method for procuring Construction Contracts that require bidding, if the conditions above apply.

#### **D. Construction Contracts**

IFB shall be used for Construction Contracts of more than Ten Thousand Dollars (\$10,000). For Construction Contracts under \$10,000, the Chief Executive Officer shall use Small Purchasing Procedures.

Procurement of Design-Bid-Build and Design-Build contracts may require alternative procedures. Prior to commencing a Design-Build or Design-Bid-Build procurement, SACOG staff shall consult with legal counsel regarding the most up-to-date requirements under local, state, and/or federal law.

#### **E. Architectural and Engineering Services (A&E)**

SACOG shall use qualifications-based competitive proposal procedures (i.e., Brooks Act procedures) when contracting for Architectural and Engineering (“A&E”) services. Services subject to this requirement include program management, construction management, feasibility

studies, preliminary engineering, design, architectural, landscape architecture, engineering, land surveying, mapping, environmental services (including environmental documentation), and related services. If services subject to this requirement are not directly in support of, directly connected to, directly related to, or lead to construction, alteration, or repair of real property, then the recipient may not use qualifications-based procurement procedures to select the contractor that will perform those services.

**1. Qualifications-Based Competitive Proposal Procedures**

Qualifications-based competitive proposal procedures require that:

- a. An offeror's qualifications be evaluated;
- b. Price be excluded as an evaluation factor;
- c. Negotiations be conducted with only the most qualified offeror;
- d. SACOG shall request that the top-ranked offeror submit a sealed cost proposal. Or if time is of the essence and it can be justified, sealed cost proposals may be requested from the three highest ranked offerors. The cost proposal for the top-ranked offeror shall be opened and used to begin negotiations. Failing agreement on price, negotiations with the next most qualified offeror be conducted until a contract award can be made to the most qualified offeror whose price is fair and reasonable to the grantee. Each offeror's cost proposal must remain sealed until negotiations commence with that offeror.

**2. Limitations**

These qualifications-based competitive proposal procedures can only be used for the procurement of the A&E services listed above. This method of procurement cannot be used to obtain other types of services even though a firm that provides A&E services is also a potential source to perform other types of services.

**F. Procurement by Noncompetitive Proposals/Sole Source for Federally Funded Contracts**

Sole source procurements are accomplished through solicitation of a proposal from only one source, in the event of a public Emergency or compelling urgency, or, if after solicitation of a number of sources, competition is determined inadequate.

Where sole source procurement is used, the Project Manager must furnish to the Chief Executive Officer or his designee a memorandum documenting the factual circumstances and the need for sole source procurement under one or more of the following reasons:

- 1. Procurement by Sole Source.** Sole source procurements may be used when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and at least one of the following circumstances applies:

a. The item is available only from a single source. The property or services are available only from a single source if one of the conditions described below is present:

(1) Unique Capability or Availability/Unique or Innovative Concept. The offeror demonstrates a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted, and is available to SACOG only from one source and has not in the past been available to SACOG from another source.

(2) Patents or Restricted Data Rights. Patent or data rights restrictions preclude competition.

The following conditions may also justify sole source contracting, except when the contract in question is funded, in part or in total, using federal funds from the Federal Highway Administration (“FHWA”) or State funds (such as State Transportation Improvement Program funds):

(3) Substantial Duplication Costs. In the case of a follow-on contract for the continued development or production of highly specialized equipment or services, when it is likely that award to another contractor would result in substantial duplication of costs that are not expected to be recovered through competition.

(4) Unacceptable Delay. In the case of a follow-on contract for the continued development or production of a highly specialized equipment or services, when it is likely that award to another contractor would result in unacceptable delays in fulfilling SACOG’s needs.

b. A public Emergency exists as determined under Subsection III.G.6., below and will not permit a delay resulting from competitive solicitation;

c. A compelling urgency exists such that SACOG’s work progress would be inhibited or jeopardized if the competitive bidding process were observed;

d. After solicitation of a number of sources, a single bid or proposal is received, despite adequate competition; or

e. The Federal awarding agency authorizes noncompetitive solicitation.

2. Upon receiving a single bid or proposal in response to a solicitation, SACOG will investigate and determine whether competition was adequate. This determination may include: (i) a review of the specifications to verify whether they were unduly restrictive; or (ii) contacting sources that chose not to submit a bid or solicitation.

a. It is only if SACOG determines that competition was inadequate that the procurement should proceed as a sole source procurement. The mere fact that only one bid or proposal was received does not automatically mean competition was inadequate since many unrelated factors could cause potential sources not to submit a bid or proposal.

## **G. Exceptions to Bidding Requirements for Locally Funded Contracts**

Notwithstanding any other provision of these Procedures, locally funded Contracts may be let without bidding, when permitted by law, under the following circumstances:

1. When a patented or proprietary item is being Purchased; or
2. To the extent not included in the definition of Special Services Contracts, when the following types of personal property or services are being acquired or Purchased: (a) advertising; (b) books, recordings, motion picture films, subscriptions; (c) property or services provided by or through other governmental agencies or obtainable from suppliers which have in force a current Contract with another governmental agency for the same item or service; (d) property or services the price of which is fixed by law; or (e) insurance; or
3. When the CEO or his designee, based on advice by legal counsel, determines that entering a Contract without bidding is reasonably necessary for the conduct of SACOG business;
4. When the CEO or his designee determines that it is advantageous to SACOG to purchase supplies from another public agency or in cooperation with another public agency using that other public agency's bidding procedures;
5. When the CEO or his designee determines that it is advantageous to SACOG to purchase surplus supplies from the United States Government, or any agency thereof, or from the State of California, or any agency thereof, or any public body without bidding; or
6. In the event of an Emergency as follows:

The Board finds that, by its resolution approving these Procedures on a four-fifths (4/5) vote, the public interest and necessity in cases of Emergency often demands the immediate expenditure of money to safeguard life, health, or property and, therefore, the Board hereby delegates to the CEO and his designee, in cases of Emergency, SACOG to act in accordance with the procedures set forth in Public Contract Code section 22050. In the case of an Emergency, any sum required by the Emergency may be expended without complying with the Bidding provisions of these Procedures. The CEO and his designee shall report such Emergency expenditure at the next meeting of the Board.

## **H. Advertising**

1. **Supply Contracts, Special Service Contracts, and A&E Contracts.** For Supply Contracts in excess of \$50,000, Special Services Contracts in excess of \$50,000, and A&E Contracts in excess of \$2,500, SACOG shall publish notice of a procurement by IFB or RFP on the SACOG website, in a newspaper of general circulation, and by delivering notice to a list of potential bidders, as determined by the Project Manager. In its discretion, SACOG may also post such notice as follows: (i) in an appropriate trade journal or other publication; and/or (ii) on the website of one of its partner agencies. The notice shall include a description of the supplies or services to be provided, and shall state where bid or proposal forms and specifications may be obtained, the time and place bids or proposals are to be submitted, and the time and place for opening bids, if applicable. SACOG will post notice of a procurement on its website for a period of at least 2 weeks before proposals are due.

2. **Construction Contracts.** For Construction Contracts, SACOG shall publish notice of a procurement by IFB on the SACOG website and in a newspaper of general circulation in the county in which the work is to be performed at least ten (10) calendar days before the date set for bid opening. Such newspaper notice shall be published at least twice, not less than five (5) calendar days apart. The notice shall include a description of the work to be performed, and shall state where bid forms and specifications may be obtained, the time and place bids are to be submitted, and the time and place for opening of bids.

## **IV. ADDITIONAL BIDDING PROCEDURES**

### **A. Independent Price Determination**

No person, company, firm, or corporation submitting any bid or proposal to SACOG shall do any of the following:

1. Propose or bid prices which have not been arrived at independently, and without consultation, communication, or agreement with any other bidder, offeror, or competitor for the purpose of restricting competition as to any matter relating to the prices bid or proposed;
2. Knowingly disclose any price, bid, or proposal to any other bidder, offeror, or to any competitor prior to opening the bids or proposals, unless otherwise required by law;
3. Make any attempt to induce any other person, firm, or other entity or association to submit or not to submit a bid or proposal for the purpose of restricting competition;
4. Make or be interested in more than one bid under any IFB or RFP; provided, however, that nothing herein shall limit the right of any person or entity to deal independently with the same subcontractor or supplier as other persons or entities in the preparation of a bid, or to limit the right of any person or entity dealing in any name brand supplies required by SACOG to bid independently of any other person or entity dealing in the same supplies.

In the case of joint venture bids, the joint venture, and each and every member of the joint venture, shall for purposes of the foregoing be construed to be the person submitting the bid or proposal.

Any bid received, or Contract awarded, in violation hereof shall be a nullity, and the Board or Chief Executive Officer, as applicable, shall in such case dispose of the matter in the same manner as if the person or entity involved had failed to enter into the Contract after award thereof, as provided herein.

## **B. Bid Security; Disposition of Bid Security**

Whenever, upon the call for bids for any Purchase of Supplies or work under a Construction Contract, the CEO or his designee deems it to be advisable, each bidder shall be required to submit bid security, either in cash, by cashier's check, or certified check in favor of, and payable on sight to, SACOG, or by surety bond, insured by a corporate surety admitted to do business in California, in an amount determined by the CEO or his designee to be sufficient, but not to exceed ten percent (10%) of the aggregate amount of the bid. If the bidder to whom the Contract is awarded shall, for twenty (20) calendar days (or such longer period as specified in the IFB or RFP) after receipt of such award, fail or neglect to enter into the Contract and file the required bonds, the bid security may, at the discretion of CEO or his designee, be forfeited and the CEO or his designee may draw the money due on such bid security and pay the same, or any cash deposited, into SACOG's treasury. Upon good cause being shown, the CEO or his designee may, and to the extent SACOG is responsible for any delay, extend the time for the bidder to enter into the Contract.

All bid securities and bid bonds, other than the bid securities and bid bonds of the two lowest bidders, shall be returned to the bidders after award of the Contract to the successful bidder. The remaining bid securities and bid bonds shall be returned after execution of the Contract and deposit of the necessary bonds by the successful bidder. In the event that all bids are rejected pursuant to Subsection IV.G., below, all bid securities and bid bonds shall be returned to the bidders.

Performance and Payment Bond requirements are set forth in Section VII, below.

## **C. Opening of Bids; Award**

All bids shall be sealed, identified as bids or proposals on the envelope as specified in the IFB or RFP, and submitted in the manner and at the time and place specified in the IFB or RFP.

The remaining procedures of this sub-section apply to IFB's only: Bidders may withdraw bids up to the time specified for submission; however, no person who withdraws a bid may submit another bid unless no award is made and a new solicitation is made. Bids received after the specified time shall not be accepted and shall be returned to the bidder unopened. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty (30) calendar days after the bid opening.

#### **D. Determination of Responsible Bidder**

If any Contract is awarded pursuant to competitive bidding, it must be awarded to the lowest responsive and responsible bidder in the case of an IFB and to the responsible bidder scoring the highest in evaluation of proposals in the case of an RFP. In determining who is a responsible bidder, the CEO or his designee may consider (i) the quality of the Supplies or work to be provided by the bidder; (ii) the ability, capacity, and skill of the bidder to perform the Contract; (iii) the ability of the bidder to perform the Contract within the time specified, without delay; (iv) the character, integrity, reputation, judgment, experience, and efficiency of the bidder; and (v) the quality of the bidder's performance on previous Contracts with SACOG, or any other entity.

#### **E. Irregularities**

The CEO or his designee reserves the right to reject any and all bids or proposals or to waive informalities or minor irregularities. The CEO and his designee reserve the right to make multiple awards and to prohibit "all or none" bids or proposals.

#### **F. Alternative Award Upon Failure of Bidder to Enter Into Contract**

If the bidder to whom the Contract is awarded fails to enter into a Contract within the specified time, the CEO or his designee may declare the award to that bidder a nullity, and (i) award the Contract to the next lowest responsible bidder, or (ii) reject all bids and (a) re-advertise for bids or (b) negotiate a Contract in accordance with Subsection IV.G., below.

#### **G. Rejection of All Bids**

In the event that the CEO or his designee exercises the right to reject any and all bids or proposals, or the bidder to whom the contract is awarded fails to enter into the Contract as required, the CEO or his designee may (a) re-advertise for new bids; or (b) enter into direct negotiations with the contractors to achieve the best possible price; or (c) abandon the project. In the event the CEO or his designee enters into direct negotiations with contractors to achieve the best possible price, the CEO or his designee shall consult with SACOG's legal counsel prior to entering a negotiated Contract.

#### **H. Protests**

In order for a bid protest to be considered by SACOG, it must be submitted by an interested party (a) that is an actual or prospective proposer, bidder, or offeror in the procurement involved; and (b) whose direct economic interest would be affected by the award of the contract or by failure to award a contract (hereinafter "Protestor"). A protest which is submitted by a party which is not an interested party or which is not in accordance with the procedures shall not be considered by SACOG, and will be returned to the submitting party without any further action.

1. **Grounds for Protest.** A Protestor may file a bid protest on the following grounds:

- a. Failure to comply with applicable Federal or State Law;
- b. Alleged misconduct or impropriety by SACOG officials or evaluation team members; or
- c. Failure to follow the requirements of the solicitation in question.

2. **Contents of Protest.**

- a. A bid protest must be filed in writing and must include:
  - (1) The name and address of the Protestor;
  - (2) The name and number (if available) of the procurement solicitation;
  - (3) A detailed statement of the grounds for the protest, including all relevant facts and a citation to the Federal or State law or specific term of the solicitation alleged to have been violated;
  - (4) Any relevant supporting documentation the Protestor desires; and
  - (5) The desired relief, action, or ruling sought by the Protestor.
- b. Protests must be addressed to the Chief Executive Officer of SACOG, and received at SACOG's regular business address.
- c. If any of the information required by this section is omitted or incomplete, SACOG will notify the Protestor, in writing, and the Protestor will be given three (3) business days to provide the omitted or incomplete information in order for the protest to be further considered. Note that this provision only applies in the case of a failure to state any grounds for a protest and does not apply to stating inadequate grounds for a protest or the failure to submit documentation.

3. **Timing Requirements and Categories of Protests.**

SACOG will consider the following categories of bid protests within the time period set forth in each category:

- a. Any bid protest alleging improprieties in a solicitation process or in solicitation documents must be filed no later than five (5) calendar days prior to the deadline for submission of proposals. Any protest based on such grounds not filed within this period will not be considered. This category of protests includes, but is not limited to, allegation of restrictive or exclusionary specifications or conditions.
- b. Any bid protests regarding the evaluation of bids or proposals by SACOG, or improprieties involving the approval or award or proposed approval or award of a contract must be filed with SACOG no later than five (5) business days after SACOG

issues written notice of its decision or intended decision to award a contract. Any protest filed after such date will not be considered.

**4. Review of Protest.**

a. SACOG will notify the Protestor within five (5) business days of timely receipt of a bid protest that the protest is being considered.

b. In the notification, SACOG will inform the Protestor of any additional information required for evaluation of the protest, and set a time deadline for submittal of such information. If SACOG requests additional information, and it is not submitted by the stated deadline, SACOG may either review the protest based on the information before it, or decline to take further action on the protest.

c. In its sole discretion, SACOG may give notice of any bid protest to other bidders or proposers for the procurement involved in the protest, as appropriate, and permit such bidders or offerors to submit comments to SACOG relative to the merits of the bid protest. SACOG will set a time deadline for the submittal of such comments, which will be no less than five (5) business days after SACOG provides notification of the protest.

d. In its sole discretion, SACOG may schedule the matter for a meeting. All interested parties will be invited to participate in the meeting.

**5. Protest Decisions.**

a. After review of a bid protest, the CEO or his designee shall recommend a decision to the SACOG Board on the merits of the protest. The recommendation shall be made on the basis of the information provided by the Protestor and other parties, the results of any conferences or meetings, and SACOG's own investigation and analysis. The recommendation and information will be provided to the Board for review and decision.

b. If the protest is upheld, SACOG will take appropriate action to correct the procurement process and protect the rights of the Protestor, including re-solicitation, revised evaluation of bids, proposals, or SACOG's determination, or termination of the Contract.

c. If the protest is denied, SACOG will lift any suspension imposed and proceed with the procurement process or the Contract.

**6. Summary Dismissal of Protests.**

SACOG reserves the right to summarily dismiss all or any portion of a bid protest that raises legal or factual arguments or allegations that have been considered and adjudicated by SACOG in a previous bid protest by any interested party in the same solicitation or procurement action.

**7. Effects of Protest on Procurement Actions.**

a. Upon receipt of a timely protest regarding either the solicitation process or the solicitation documents in the case of sealed bids, SACOG will postpone the opening of bids until resolution of the protest. The filing of the protest will not, however, change the date on which bids are due, unless SACOG determines, and so notifies all bidders, that such a date change is necessary and appropriate to carry out the goals of the procurement and assure fair treatment for all bidders.

b. Upon receipt of a timely protest regarding evaluation of bids or proposals, or the approval or award of a Contract, SACOG will suspend Contract approval or other pending action, or issue a stop work order if appropriate, until the resolution of the protest. In this event, the successful bidder or proposer may not recover costs as a change order.

c. Notwithstanding the pendency of a bid protest, SACOG reserves the right to proceed with any appropriate step or action in the procurement process or in the implementation of the Contract in the following cases:

- (1) Where the item to be procured is urgently required;
- (2) Where SACOG determines, in writing, that the protest is vexatious or frivolous;
- (3) Where delivery or performance will be unduly delayed, or other undue harm to SACOG will occur, by failure to make the award promptly; or
- (4) Where SACOG determines that proceeding with the procurement is otherwise in the public interest.

## **8. Judicial Appeals.**

A protest adversely affected by a bid protest decision may appeal such decision to an appropriate court of the State of California, if authorized under Federal or State law.

# **V. MODIFICATION OR AMENDMENT OF CONTRACTS**

## **A. Amendments Generally**

If the terms of a Contract require modification, the Contract must be formally amended, in writing, as follows:

1. An amendment should contain the same degree of specificity for changes that the original Contract contained for the same item.
2. The CEO, his designee, pertinent Director, or member of the Project Oversight Management Team, may amend any Contract when the amount of the Contract, including the amendment, is less than the applicable dollar threshold set forth in Section II, herein.

3. Only work within the original advertised scope of services shall be added by a contract amendment. The addition of work outside the original advertised scope of work will be ineligible for reimbursement.

**B. Supply, Special Services, A&E, and Construction Contracts**

1. The CEO or his designee may amend any Supply Contract, Special Service Contract, A & E Contract, or Construction Contract when the amount of the Contract, including any amendment, is Fifty Thousand Dollars (\$50,000), or less.

2. The CEO or his designee may amend such a Contract when the amount of the Contract, including any amendment, is more than Fifty Thousand Dollars (\$50,000) if the entire Contract amount is to be paid by any other entity.

3. All modifications or amendments of Supply Contracts that do not meet the requirements of subdivisions 1 or 2 above shall be approved by the Board.

**C. Real Property Contracts**

1. The CEO or his designee may amend any real property lease for improvements or alterations, or both, so long as the term does not exceed three years, and the rental amount does not exceed Five Thousand Dollars (\$5,000) per month.

**VI. CONTRACT FORMS AND APPROVALS**

**A. Written Contracts**

All federally funded Contracts exceeding Two Thousand Dollars (\$2,000) must be written agreements. All State and locally funded Contracts exceeding Five Thousand Dollars (\$5,000) must be written agreements. The Chief Executive Officer may waive the requirement for a written agreement in cases of public emergency or when the Chief Executive Officer determines that it is reasonably necessary for the conduct of SACOG's business, in which case the Board shall be notified as a matter of information at its next meeting.

**B. Approval By Legal Counsel**

Written Contracts may be approved as to form by legal counsel prior to execution, as determined by the Chief Executive Officer or recommended by the Board.

**C. Time of Completion**

All Contracts shall specify the time within which the supplies or work shall be furnished to SACOG and may provide for liquidated damages for failure to comply. The Chief Executive Officer

may extend such time for delays caused by SACOG, acts of God, weather, strikes, or other circumstances over which the contractor has no control. The Board may extend such time for any reason it deems appropriate, including those causes for which the Chief Executive Officer may grant an extension of time.

**D. Contract Prohibitions**

**1. Contract Splitting**

No officer or employee of SACOG shall split or separate into smaller units any Contract for the purpose of evading the provisions of these Procedures. Splitting or separating a transaction means reducing the amount of any Contract with knowledge that additional supplies or additional work, after such reduction, will be required within the same budgetary term.

**2. Collusion With Bidders**

No officer or employee of SACOG shall:

- a. Aid or assist a bidder in securing a Contract at a higher price than that proposed by any other bidder;
- b. Favor one bidder over another;
- c. Willfully mislead any bidder regarding the character of the supplies or work called for;
- d. Knowingly accept supplies or work of a quality inferior to that called for by the Contract;
- e. Knowingly represent to SACOG the receipt of a greater amount, or different kind, of supplies or work than has been actually received; or
- f. Draft any invitation to bid, or cause it to be drafted, in such manner as to limit the bidding, directly or indirectly, to any one bidder.

**VII. PERFORMANCE AND PAYMENT BONDS**

**A. Faithful Performance Bond**

The successful bidder for any Construction Contract of Twenty Five Thousand Dollars (\$25,000) or more shall be required to supply a performance bond to guarantee the faithful performance of the Contract. The bond shall be in the amount of one hundred percent (100%) of the Contract price, except that a lesser amount may be approved by the Chief Executive Officer, dependent upon applicable legal requirements. Such bond shall be issued by a corporate surety admitted to do business in California and shall be subject to approval by legal counsel for SACOG.

**C. Payment Bond**

The successful bidder for any Construction Contract of Twenty-Five Thousand Dollars (\$25,000) or more shall provide a payment bond to secure payment of the claims of subcontractors, materialmen and employees of the general contractor and other amounts due pursuant to Civil Code section 3248 in the amount of one hundred percent (100%) of the Contract price, except that a lesser amount may be approved by the Chief Executive Officer, dependent upon applicable legal requirements. Such bond shall be issued by a corporate surety admitted to do business in California and shall be subject to approval by legal counsel for SACOG.

## ATTACHMENT A

### COST OR PRICE ANALYSIS

#### (To be Completed for Federally-Funded Contracts Exceeding \$2,500)

A Cost or Price Analysis must be performed in connection with every procurement action involving federal funds, including contract modifications. SACOG staff must make independent estimates before receiving bids or proposals.

A **Cost Analysis** must be performed to determine the reasonableness of the proposed contract price when the Prospective Contractor is required to submit the elements of the estimated cost (i.e., labor hours, overhead, materials, etc.), whenever adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalogue or market price of a commercial product sold in substantial quantities to the general public or on the basis of prices set by law or regulation. The elements of a Cost Analysis are set forth in Section I below.

In all other circumstances, a **Price Analysis** must be completed to determine the reasonableness of the proposed contract price. See Section II below.

Separate Cost or Price Analyses are required for each phase of work, as well as for any milestone or task to be subcontracted.

#### **I. COST ANALYSIS**

Complete a Cost Analysis Table (sample provided below).

<u>Cost Element</u>	<u>Prospective Contractor's Proposal</u>	<u>Pre-negotiation Objective</u>
Direct Labor	\$	\$
Labor Overhead	\$	\$
Direct Material	\$	\$
Mat'l Overhead	\$	\$
Other Direct Costs	\$	\$
Subtotal	\$	\$
G&A	\$	\$
Subtotal	\$	\$
Profit/Fee	\$	\$
Total	\$	\$

Additional information regarding each cost element category is provided below:

##### (1) Direct Labor

In evaluating a Cost Proposal, staff should consider the following questions:

Are the proposed labor rates current actual rates for specific employees or a composite rate for personnel under each labor category?

If the labor rates are developed on a specific base rate, what escalation factor (if any), has the Prospective Contractor applied to the base rate? Is that a reasonable factor?

Are the proposed labor categories and hours based upon the Prospective Contractor's previous experience?

Do the proposed hours correspond to the performance period?

Staff must establish a reasonable cost objective after considering and analyzing all of the available data. Statements to the effect, "THE OFFEROR HAS PROPOSED THE SAME RATES ON OTHER CONTRACTS," are not adequate without discussing how price reasonableness was determined under the other contracts.

(2) Labor Overhead, Material Overhead, and General and Administrative (G&A)

Staff must evaluate the basis for labor rates, overhead and G&A.

Are the estimated rates based upon recommendations or did staff request an audit of the Prospective Contractor's rates?

If not, staff must evaluate the Prospective Contractor's proposed rates in detail (i.e., cost elements included in the indirect pools) for allowability and allocability.

Comparing one Prospective Contractor's rates with those of another is not an acceptable method in any case. Also, comparing this year's proposed rates to last year's rates is not a basis for establishing reasonableness of the currently proposed rate.

(3) Direct Material

Staff must make a determination of price reasonableness for the direct material items.

Provide a detailed breakdown and compare the Prospective Contractor's material quantities and unit prices, such as copies, brochures, computer discs, etc.

Address the basis of the proposed costs for direct materials (based on an engineering estimate? history?, etc.) and costs associated with the material (based on catalog prices? oral quotes? written quotes? historical prices escalated by \$?, competitive?, etc.)

If staff takes exception to any material items and/or quantities, what information was relied upon to reach such conclusions? When challenging a cost, explain the basis for the position. "Appears too high," without rationale, is not sufficient.

(4) Other Direct Costs (ODC)

Compare the proposal and the cost estimate for other direct costs, such as computer support, freight, air travel, per diem, and sub-consultants.

Provide an analysis of the items included under this cost element. For instance, are the number of trips scheduled considered reasonable by audit or staff's technical evaluation? Are the costs per trip reasonable?

Check air travel rates with commercial airlines. How do the proposed costs compare with previous history? Did the contractor apply an escalation factor? Is it reasonable?

(5) Profit/Fee Analysis

Provide a summary which compares the proposal and SACOG's cost estimate.

Compare the Prospective Contractor's proposed profit/fee rate, with SACOG's cost estimate profit/fee rate . Both SACOG and Prospective Contractor should be concerned with profit as a motivator of efficient and effective contract performance. Negotiations aimed merely at reducing prices by reducing profit, without proper recognition of the function of the profit, are not in SACOG's best interest.

## **II. PRICE ANALYSIS**

Where appropriate, staff must utilize the Price Analysis tool to determine whether the contract price is reasonable.

To analyze the price, use one of the available Price Analysis techniques listed below. Note in the file which technique below was utilized and provide a brief explanation for your selection. Additional information on each technique is provided below to assist in your selection:

1. Adequate price competition;
2. Prices set by law or regulation;
3. Established catalog prices and market prices;
4. Comparison to previous purchases;
5. Comparison to a valid independent estimate; and/or
6. Value analysis.

A. Adequate price competition exists where:

- At least two responsible contractors respond to a solicitation.
- Each contractor must be able to satisfy the requirements of the solicitation.
- Each contractor must submit priced offers responsive to the expressed requirements of the solicitation.

If the conditions above are met, price competition is adequate unless:

- The solicitation was made under conditions that unreasonably deny one or more known and qualified contractors an opportunity to compete.
- The low competitor has such an advantage over the competitors that it is practically immune to the stimulus of competition.
- The lowest final price is not reasonable, and this finding can be supported by facts.

B. Prices set by law or regulation are deemed fair and reasonable. SACOG should obtain a copy of the rate schedules set by the applicable law or regulation. Once these schedules are obtained, verify that they apply to SACOG's situation and that SACOG is being charged the correct price. For utility contracts, this policy applies only to prices prescribed by an effective, independent regulatory body.

C. Established catalog prices can be used when the following conditions exist:

- Established catalog prices exist.
- The items are commercial in nature.
- They are sold in substantial quantities.
- They are sold to the general public.

Catalog prices are considered reasonable because commercial demand exists and supplier prices are driven by that demand. Staff must try to ensure that SACOG is getting at least the same price as other buyers in the market for these items. Staff must be sure that catalogs are not simply internal pricing document, and shall retain a copy of the catalog or at least the page on which the price appears.

Established market prices are based on the same principle as catalog prices except there is no catalog. A market price is a current price established in the usual or ordinary course of business between buyers and sellers free to bargain. These prices must be verified by buyers and sellers who are independent of the Prospective Contractor. If this information is not available from other commercial buyers and sellers, it may be obtained from the Prospective Contractor.

D. Comparison to previous purchases:

This determination must be based upon a physical review of the documentation contained in the previous files. Changes in quantity, quality, delivery schedules, the economy, and inclusion of non-recurring costs such as design, capital equipment, etc. can cause price variations. Each differing situation must be analyzed. Staff must also ensure that the previous price was fair and reasonable.

E. Comparison to a valid independent estimate:

Verify the facts, assumptions, and judgments used by SACOG in its estimate. Review the method and data used in developing the estimate. For example, did prices come from current catalogs or industry standards? Staff must be comfortable with the estimate before relying on it as a basis for determining a price to be fair and reasonable.

F. Value analysis requires staff to look at the item and the function it performs to determine its worth. The decision of price reasonableness remains with the Chief Executive Officer or Project Manager.

**ATTACHMENT B**

**HISTORY OF THE PROCUREMENT**

**(Must be Completed for Federally-Funded Contracts and Contract Amendments Exceeding \$2,500)**

1. Date \_\_\_\_\_
2. Project Name or Title \_\_\_\_\_
3. RFP/IFB or Contract Number \_\_\_\_\_
4. Modification Number \_\_\_\_\_
5. Contract Type [If Time and Materials contract is used, provide explanation of why no other type of contract is suitable]  
\_\_\_\_\_

6. Procurement Description (briefly describe the procurement)  
\_\_\_\_\_

7. <u>Pricing Structure</u>	<u>Cost Estimate</u>
Cost	\$ _____
Fee/Profit _____%	\$ _____
Total Price	\$ _____

**RATIONALE FOR METHOD OF PROCUREMENT**

1. In this paragraph, describe the acquisition, including a brief history of the requirement, the place of performance, and any other pertinent information. Questions to be answered include: What is it? Why is it needed? What is it for? Quantity? If this is a contract modification, what events or circumstances contributed to the needed change? State SACOG's estimated amount of the proposed acquisition.
2. In this paragraph, address the extent of competition under the acquisition. Is the acquisition being accomplished under full and open competition? If other than full and open, the procurement file must contain a staff memo describing the justification for using a sole source contract. If applicable, include an explanation of why the use of sealed bid procedures is not appropriate for the acquisition. Additionally, was the requirement publicized in accordance with SACOG's procedures? (If not, cite the exception.) How many requests for solicitations were received? How many offers were received?
3. In this paragraph, include an explanation of the reasons for selecting the type of contract to be used.
4. In this paragraph, include the planned negotiation schedule, and identification of SACOG's negotiating team members by name and position.

## ATTACHMENT C

### DOCUMENTATION OF QUOTATIONS ACQUIRED BY TELEPHONE

Description of Program Need:	
Specific Description of Product or Service Desired:	
Person Requesting Product or Service:	Date Request Received:

### QUOTATIONS RECEIVED

Name and Address of Vendor Contacted: <span style="float: right;">Bid #1</span>	
Name of Vendor Representative Providing Quote:	Vendor Representative's Telephone Number:
Quote Provided:	
Program Staff Person Soliciting Quote:	Date Quote Provided:

Name and Address of Vendor Contacted: <span style="float: right;">Bid #2</span>	
Name of Vendor Representative Providing Quote:	Vendor Representative's Telephone Number:
Quote Provided:	
Program Staff Person Soliciting Quote:	Date Quote Provided:

Name and Address of Vendor Contacted: <span style="float: right;">Bid #3</span>	
Name of Vendor Representative Providing Quote:	Vendor Representative's Telephone Number:
Quote Provided:	
Program Staff Person Soliciting Bid:	Date Quote Provided:

## **ATTACHMENT D**

### **GUIDELINES FOR CRITERIA AND CONSIDERATIONS IN EVALUATING RFPs**

The following are suggested criteria that may be used in evaluating proposals:

1. Does the Prospective Contractor understand the program's problems or needs?
2. Can the Prospective Contractor fit this work into its existing obligations?
3. Is the approach to the problem, recommended method, and procedure reasonable and feasible?
4. Do the expected results, outcomes, and deliverables appear to be achievable in a timely manner, given the approaches, methods and procedures proposed?
5. Does the firm have the organization, management capability and competency, fiscal and personnel resources, and experience to perform the services being sought?
6. Has the firm had experience performing work of similar nature, size and scope?
7. Does the Prospective Contractor's past experience complement the services being sought, or is the Prospective Contractor's past experience appropriate to qualify the proposer to perform these services?
8. What are the professional qualifications of the personnel that the firm will commit to the project?
9. Did the Prospective Contractor allocate sufficient staff resources?
10. Has the Prospective Contractor addressed all goals, objectives, service demands, and required deliverables specified in the RFP?
11. Does the Prospective Contractor appear to have the capacity to manage fiscal resources responsibly?
12. Does the Prospective Contractor have sound fiscal, accounting, and cost-monitoring or budget-monitoring procedures in place?



## Government Relations & Public Affairs Committee

Item #13-6-4  
Information

June 3, 2013

### State Advocacy Update

**Issue:** Update on state advocacy.

**Recommendation:** None; this item is informational only.

**Discussion:** On May 14, the Governor released his Revised 2013-14 Budget. On May 24, the fiscal committees in the Assembly and Senate acted on all bills requiring appropriation of funds. May 31 was the last day to pass bills from the house of origin. Through this process, several bills SACOG was tracking did not advance.

#### *Budget*

The Legislature must pass a budget by June 15. On May 30, the legislative leaders announced a conference committee to assemble a final budget. After the May Government Relations & Public Affairs Committee meeting, the Governor released his Revised Budget. The primary impact to SACOG is a proposed \$500 million loan of cap-and-trade revenues to the General Fund. The Transportation Coalition for Livable Communities, which SACOG joined last year, has been advocating for cap-and-trade revenues from the fuels sector to be spent on a range of transportation projects. The Coalition is not opposed to the Governor's proposed loan, but is continuing to advocate for establishing the program outlined in AB 574 (see below) even if no revenues are allocated, because the program will require some time to set up (see Cap-and-Trade update below).

The only other adjustment in the May Revision of interest to SACOG is an increase in funding for intercity passenger rail service. This will cover a change in federal law that eliminated a 30 percent federal share of operating expenses for short-distance routes. Only the Pacific Surfliner service in southern California is concerned a short-distance route; there is no federal share for the San Joaquin and Capitol Corridor services. This change avoids a potentially adverse, indirect impact to the northern California services, but does not provide additional funding to these services.

#### *Legislation*

At this time, staff is not recommending taking positions on any additional bills. Attachment A is an update on key legislation staff is tracking. The following discussion only covers new information worth noting.

#### Cap-and-Trade

The Assembly Appropriations Committee held SACOG-supported AB 574. The Transportation Coalition for Livable Communities is continuing to explore options to advance the framework for how to allocate revenues contained in AB 574.

#### Financing/Revenue

None of the bills that would have lowered the voter threshold for local sales tax measures advanced.

#### Natural Resources

AB 551 would allow for the creation of Urban Agriculture Incentive Zones. It is intended to create urban-style Williamson Act areas, where landowners could receive lower property tax assessments in exchange for restricting land uses for a minimum of 10 years.

AB 1331 is one of several bills that may be amended to modify the water bond currently on the 2014 general election ballot. As currently written, it calls for several studies that would aid in evaluating the priorities for a revised bond measure. All of the other measures did not pass their house of origin.

Approved by:

Mike McKeever  
Chief Executive Officer

MM:EJ:ef

Attachments

Key Staff: Kirk Trost, Chief Operating Officer/General Counsel, (916) 340-6210  
Erik Johnson, Government & Media Affairs Coordinator, (916) 340-6247

Issue	Bill	Author	Title	Summary	Position	Location
Air Quality	AB 8	Perea (D)	Alternative Fuel: Vehicle Technologies: Funding Program	Provides the State Air Resources Board has no authority to enforce any element of its existing clean fuels outlet regulation or other regulation that requires or has the effect of requiring any person to construct, operate, or provide funding for the construction or operation of any publicly available hydrogen fueling station. Requires the public disclosure of the number of vehicles sold or lease, and grants and loans for a sufficient hydrogen fueling network. Relates to a registration charge and tire fee.	Support	Senate
Air Quality	SB 11	Pavley (D)	Alternative Fuel: Vehicle Technologies: Funding Program	Provides the State Air Resources Board has no authority to enforce any element of the clean fuels outlet regulation or other regulation that requires the construction, operation, or providing funding for the construction or operation of any publicly available hydrogen fueling station. Requires the public disclosure of the number of vehicles sold or leased. Requires grants and loans for a sufficient hydrogen fueling network. Extends a vehicle registration charge. Increases the state tire fee.	Support	Assembly
CEQA	SB 731	Steinberg (D)	Environment: California Environmental Quality Act	Relates to the state environmental quality act. Provides that aesthetic impacts of a residential, mixed-use residential, or employment center project within a transit priority area shall not be considered significant impacts on the environment. Requires guidelines for thresholds of significance and the transportation and parking impacts to be made available to the public. Requires preparation of environmental impact reports. Extends tolling agreements for judicial actions and mitigation measures.		Assembly
Economic Development	AB 229	Perez J (D)	Infrastructure and Revitalization Financing Districts	Authorizes the creation of an infrastructure and revitalization financing district and the issuance of debt with voter approval. Authorizes the creation of a district for up to 40 years and the issuance of debt with a final maturity date of up to 30 years. Authorizes a district to finance projects in redevelopment project areas and former redevelopment project areas and former military bases.		Senate Governance and Finance Committee - 06/05
Economic Development	AB 243	Dickinson (D)	Local Government: Infrastructure Financing Districts	Authorizes the creation of an infrastructure and revitalization financing district and the issuance of debt with voter approval. Authorizes a district to finance projects in redevelopment project areas and former redevelopment project areas and former military bases if special conditions are met. Authorizes a district to fund various projects, including watershed land used for the collection and treatment of water for urban uses, flood management, open space, habitat restoration and development purposes.	Support	Senate Governance and Finance Committee - 06/12
Economic Development	AB 108C	Alejo (D)	Community Revitalization & Investment Authorities	Authorizes certain public entities of a community revitalization and investment area to form a community revitalization plan within a community revitalization and investment authority to carry out the Community Redevelopment Law in a specified manner. Requires the authority to adopt a community revitalization plan for a community revitalization and investment area and authorizes the authority to include in that plan a provision for the receipt of tax increment funds.		Senate
Economic Development	SB 11	Steinberg (D)	Sustainable Communities Investment Authority	Authorizes certain public entities of a Sustainable Communities Investment Area to form a Sustainable Communities Investment Authority to carry out the Community Redevelopment Law. Provides for tax increment funding receipt under certain economic development and planning criteria. Establishes prequalification requirements for receipt of funding. Requires monitoring and enforcement of prevailing wage requirements within the area.	Support	Assembly
Economic Development	SB 33	Wolk (D)	Infrastructure Financing Districts: Voter Approval	Revises provisions governing infrastructure financing districts. Eliminates the requirement of voter approval for creation of the district and for bond issuance, and authorizes the legislative body to create the district subject to specified procedures. Authorizes the creation of such district subject to specified procedures. Authorizes a district to finance specified actions and project. Prohibits the district from providing financial assistance to a vehicle dealer or big box retailer.	Support	Assembly Local Government Committee - 06/12
Economic Development	SB 142	DeSaulnier (D)	Public Transit	Repeals existing law providing for creation of one or more special benefit districts within a transit or rapid transit district regarding issuance of bonds to be repaid through special assessments levied on property within the special benefit district. Amends district areas. Enacts provisions authorizing a transit district, municipal operator, other other public agency operating or contracting for the operation of transit, commuter rail, or intercity rail service to create one or more special districts.		Assembly
Economic Development	SB 628	Beall (D)	Alternative Fuel: Vehicle Technologies: Funding Program	Eliminates the requirement of voter approval for the adoption of an infrastructure financing plan, the creation of an infrastructure financing district, and the issuance of bonds with respect to a transit priority project. Requires a specified percentage of the revenue for increasing, improving, and preserving the supply of lower and moderate-income housing. Requires a low-income housing replacement ordinance. Requires projects to be consistent with the sustainable communities strategy.		Assembly
Natural Resources	AB 551	Ting (D)	Local Government: Urban Agriculture Incentive Zones	Enacts the Urban Agriculture Incentive Zones Act. Authorizes, under specified conditions, a county or a city and county and a landowner to enter into a contract to enforceably restrict the use of vacant, unimproved or otherwise blighted lands for small-scale production of agricultural crops. Require the county assessor to consider, when valuing real property for property taxation purposes, property that is enforceably restricted by a contract entered into pursuant to the act.		Senate

Issue	Bill	Author	Title	Summary	Position	Location
Natural Resources	AB 1331	Water, Parks and Wildlife Cmt	Water Resources: Assessments of Public Funding	Requires the Department of Water Resources to provide an analysis that assesses currently available public funding and estimates the additional public investment needed to ensure the state meets priority needs related to infrastructure, integrated water management, water supply reliability, water recycling, flood management, and watershed and aquatic ecosystem conservations and protection and for access to safe drinking water. Requires an assessment of needed funds to implement the Delta Plan.		Senate
Transportation Planning	AB 14	Lowenthal B (D)	State Freight Plan	Requires the Transportation Agency to prepare a state freight plan with specified elements to govern the immediate and long-range planning activities and capital investments of the state with respect to the movement of freight. Requires the agency to establish a freight advisory committee.	Support	Senate
Transportation Planning	AB 179	Bocanegra (D)	Electronic Transit Fare Collection Systems	Amends existing law that prohibits a transportation agency from selling or providing personally identifiable information to a person through the person's participation in an electronic toll collection system or use of a toll facility that uses such system and requires the discarding of such information within a specified time period. Makes these and other provisions applicable to an agency that uses such system for payment of transit fares.		Senate
Transportation Planning	AB 129C	Perez J (D)	Transportation Planning	Provides for 2 additional voting members of the State Transportation Commission to be appointed by the Legislature. Provides for the Secretary of the Transportation Agency, the Chairperson of the State Air Resources Board, and the Director of Housing and Community Development to serve as ex officio members without a vote. Requires the Governor to make sure the transportation community is represented on the board with future appointments.		Senate



## Government Relations & Public Affairs Committee

Item #13-6-5  
Information

June 3, 2013

### SACOG Advocacy Procedures

**Issue:** Information regarding staff use of SACOG's Advocacy Procedures.

**Recommendation:** None; this item is informational only.

**Discussion:** At the May Government Relations & Public Affairs Committee meeting, Committee members were interested in better understanding how staff uses the SACOG Advocacy Procedures, which are attached. As discussed briefly at the meeting, the Procedures are intended to give staff the ability to carry out board policy direction on state and federal issues without coming back to the Board for every specific position taken.

As a general rule, staff interprets the procedures conservatively. Between 2009 and today, based on the best information available, it appears that SACOG staff sent letters supporting, opposing, or seeking amendments to 50 bills, with an average of 10 positions taken annually. In 38 cases, the Board adopted a specific position, and staff then acted.

In six instances, staff communicated a position on legislation without a specific Board action, but the position was based on either a past action on the same legislative language from an earlier year, or was based on special Board-adopted principles for a specific legislative topic area, which complies with the Advocacy Procedures.

In other instances, staff consulted with the Board Chair and GRPA Chair, even when not required. The Advocacy Procedures allow staff to act independently when the issue meets the three tests of (1) consistency with advocacy principles, (2) urgency, and (3) the issue is critical to SACOG or its members.

In addition to the Advocacy Procedures, staff always asks a series of questions before considering whether SACOG should weigh in on a bill. These include, but are not limited to: Does the issue impact SACOG or its members? Is the issue covered by SACOG's advocacy principles? Is the issue related to SACOG's work or plans? Is SACOG a credible voice on the issue? Does it uniquely affect SACOG (or other agencies with any of its various designations), or does it affect all local governments?

Approved by:

Mike McKeever  
Chief Executive Officer

Attachment

Key Staff: Kirk Trost, Chief Operating Officer/General Counsel, (916) 340-6210  
Erik Johnson, Government & Media Affairs Coordinator, (916) 340-6247

# SACOG Advocacy Procedures

## **Purpose of Advocacy Procedures**

These procedures ensure that the SACOG Board of Directors provides prior approval of any position on legislation or administrative actions. They also detail the steps board members and staff must follow before communicating a SACOG position when there is insufficient time for full board approval.

## **The Role of Advocacy Principles**

The state and federal advocacy principles adopted annually outline the policy issues for staff to either actively pursue, bring to the board for consideration, or simply track and monitor. The advocacy principles serve as the strategic plan of SACOG's advocacy with both the legislative and executive branches of the state and federal governments.

SACOG board members and staff will make every reasonable effort to seek board approval before any position is communicated as a SACOG position. In addition, staff will utilize email to keep Government Relations & Public Affairs Committee members updated on pending issues of interest to SACOG. However, because time constraints may arise which may make board approval impossible, the following "normal" and "urgency" procedures shall be followed by board members and staff:

## **Issues Covered by Advocacy Principles**

- **Positions on Legislation/Administrative Actions With Board Approval (Normal)**  
SACOG board members and staff may communicate a position consistent with the board-approved advocacy principles after seeking approval from the Board of Directors at a regularly scheduled meeting.
- **Positions on Legislation/Administrative Actions Without Board Approval (Urgency)**  
SACOG board members and staff may communicate a position on specific legislation or administrative actions that have not been approved by the board: 1) if they are consistent with the board-approved advocacy principles; 2) staff reasonably believes that time does not permit board approval; and 3) the issue is critical to the well-being of SACOG or its member jurisdictions. As soon as reasonably possible, the executive director shall email the full board to inform them of the staff action.

## **Issues Not Covered by Advocacy Principles**

- **New Policy Issues (Normal)**  
When policy issues outside of the scope of the advocacy principles arise, the executive director or board members may bring these to the Government Relations & Public Affairs Committee and then to the board for approval to amend the advocacy principles. Specific legislation or administrative actions may also be brought forward for consideration in tandem. After the board acts, the procedures above apply.
- **Legislation Without Board Approval (Urgency)**  
SACOG board members and staff may communicate a position on legislation or administrative actions outside the advocacy principles: 1) if staff reasonably believes that time does not permit board approval, 2) the issue is critical to the well-being of SACOG or its member jurisdictions, and 3) the executive director secures approval from the board chair and the chair of the Government Relations & Public Affairs Committee. If the committee chair cannot be reached, the Chief Executive Officer must secure approval from the vice chair. As soon as reasonably possible, the Chief Executive Officer shall email the full board to inform them of staff action.



## Item #13-6-6 Information

### Government Relations & Public Affairs Committee

June 3, 2013

#### Rural-Urban Connections Strategy Stakeholder Workshops Update

**Issue:** Staff continues to work with agricultural stakeholders and report to the SACOG Board of Directors to inform and get direction from board members on the Rural-Urban Connections Strategy (RUCS).

**Recommendation:** None, this item is for information only.

**Discussion:** The RUCS project is a result of an EIR Mitigation Measure and Transportation Control Measure for the 2008 Metropolitan Transportation Plan. The project framework was set by the SACOG Board of Directors at the board retreat in 2008. Since that initial framework development, staff has reported back to the board on various levels of work and conducted multiple agricultural tours including most recently in 2011, a tour focused on different pieces of infrastructure needed for agricultural processing.

Beginning in November 2012 through April of this year, staff conducted 12 stakeholder workshops. Workshops were coordinated with support from the county agricultural commissioners and farm bureaus. Yuba and Sutter counties had joint meetings at the request of the agriculture commissioners. The first series of workshops was to update stakeholders on the progress of research and tools development and a general overview of the work that lies within RUCS. The second series was transportation specific, highlighting current and future work on farm-to-market routes and upcoming goods movement and I-80 Corridor studies. A single meeting with health and human services representatives was held by request in Yolo County and another meeting was held for the Director and staff at the California Department of Public Health.

One key comment heard at both series was the significant differences between foothill and valley agriculture operations in the SACOG region. Challenges in labor, water, and goods movement exist in each area but each have different solutions. Positive feedback was given on the use of the Return on Investment tool which was used to compare operation costs of a start-up farm versus keeping an established farm in operation. Attached are meeting summaries collated by county.

Attachment A: El Dorado County Meeting Summaries  
Attachment B: Placer County Meeting Summaries  
Attachment C: Sacramento County Meeting Summaries  
Attachment D: Sutter & Yuba Counties Meeting Summaries  
Attachment E: Yolo County Meeting Summaries  
Attachment F: CA Department of Public Health

Approved by:

Mike McKeever  
Chief Executive Officer

MM:MH:ts

Key Staff: Kirk Trost, Chief Operating Officer/General Counsel, (916) 340-6210  
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## Rural-Urban Connections Strategy (RUCS)

### County-by-County Update & Input Meetings

Summary for: El Dorado County Stakeholders

Meeting Date: November 28, 2012

Meeting Location: Agricultural Commission Conference Room  
311 Fair Lane, Placerville, 95667

Participants represented: El Dorado County Department of Agriculture, Apple Hill Growers Association, Resource Conservation District, El Dorado County Farm Bureau, El Dorado County LAFCO, El Dorado County Chamber of Commerce, El Dorado County Economic Development Advisory Committee, Private Grape Grower, Private Cattle Operation

Staff: David Shabazian, Monica Hernández, Libby O'Sullivan, Deborah Schrimmer

Total external participants: 13

Summary: Some stakeholders had participated in the early meeting for RUCS, for about one-third of the attendees information was completely new. This meeting was slightly modified from the previous meeting in Placer County based on the participant evaluations and staff observations. This meeting was designed as an active participation meeting with a PowerPoint presentation driving the discussion for RUCS.

A very active dialogue occurred during the meeting with many comments from private growers, the farm bureau, and the chamber. There were specific questions and comments related to the RUCS research including, the agricultural economic development multiplier used may be too low and not represent non-traditional sectors supported by El Dorado County agriculture and agritourism including hotel/hospitality and restaurant.

Stakeholders were very helpful informing SACOG staff where to look for data and information on forested and grazing forested lands in El Dorado and Placer counties—which has been a missing piece in our regional cropping data. The group also helped staff some of the historical and current challenges facing cattle operations in the Sierras. Specific challenges around the gap in the Federal Government's ability to assess new permit applications because there is not sufficient staff to do the required environmental review associated with permits, and once old permitted operations fall out of service, those permits are not reclaimed. Another comment was made that the cost of operations between valley and foothill grazing need to be assessed especially for use in RUCS tools.

The participants noted that the cost of productions studies may be too broad and not reflect individual operations, particularly those in El Dorado County. These comments were similar to what was said at the Placer County meeting. With the cost of production studies there was also concern that some of the information contained within (though not grower/site specific) could be taken out of context and used against growers. It was stated that the regulations that are put on large-scale farm operations are also put on small growers, and it is often debilitating to running a profitable operation.

When the discussion turned to economic opportunities associated with biomass/carbon sequestration at a large scale and the forested areas of El Dorado County, the stakeholders agreed with the potential, but

stated it was far off because there is no infrastructure to support that type of operation, and no funds on the horizon. It was noted that real connections and action are needed to move away from talking about biomass/carbon sequestration and make something real happen for the county. It would be helpful to assess the forested landscape to better understand how many acres could be viable for biomass/carbon sequestration.

There was broad discussion about the need for an agriculture aggregation facility within El Dorado County. In addition to cost, and infrastructure challenges there was concern about the loss of branding and name recognition with the use of an aggregator. El Dorado has had much success with value-added products and agritourism.

There was a sense of agricultural operations being a target for environmental criticism over urbanized areas. Discussion occurred around UC Davis research that shows urbanized areas have higher per acre greenhouse gas emissions compared to agricultural operations. The group discussed the need for environment and habitat programs and regulations to be flexible. Locally, noise conflicts from agricultural operations continue to be a conflict.

When SACOG staff modeled the return on investment for starting a farm today for a new grower with no previous investments compared to maintaining an established farm, there was concern about the gap of next generation of farmers. As part of the modeling discussion, the topic of rural, urban and suburban development as a conflict with agriculture was discussed. Stakeholders talked about suburban development as being perceived as beneficial to the local economy, but that is one-time investments and not a sustainable land economy-but agriculture is. The stakeholders demonstrated desire to have tools that could show the long term economic benefits of keeping land in production versus developing. The idea of cities like Placerville being planned as, and recognized as agricultural commerce centers, serving the many professional and personal needs of the agricultural community surrounding the cities was discussed.

There was consensus that growers need to become stronger advocates to show the value of agriculture to not only fend off intrusion of development, but to be more effective in planning processes specifically when infrastructure investments are being made throughout the county and region.

SACOG next steps:

- Look for opportunities to develop a SACOG region agricultural multiplier, versus using the federal multiplier
- Schedule follow-up meeting
- Staff to seek out foothill grazing data from US Forest Service

Stakeholder next steps:

- Provide comments on Cost of Production studies
- Provide comments on El Dorado County crop map
- Provide comments on El Dorado County Agriculture Infrastructure map

Evaluation Results & Comments:

<b>RANKING:</b> 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree
<b>This meeting was well-organized.</b>
Average: 4.5/5
<b>The length of the meeting was appropriate to get through the material.</b>
Average: 4.1/5
<b>I felt that my personal background and experience helped contribute to the meeting's objectives.</b>
Average: 3.8/5
<b>Receiving the materials in advance helped me feel more prepared for the meeting.</b>
Average: 3.7/5
<b>Were there any parts of the meeting that should be avoided in the future?</b>
No
No
No
No

<b>What should be done next time to make these agricultural stakeholders meetings more effective?</b>
Allow lots of time
Feedback
Better map tool to evaluate in greater resolution for feedback since we are a large number of small farms
Probably invite farmers through the Farm Bureau & Ag Commissioner so that you see more input and buy-in
Provide clear objective statement and identify our role. Also identify what we are going to receive
Focus on specifics
I think this was a very effective meeting
Perhaps have a less ambitious agenda
Was a good dialogue
It is our responsibility to get more participants

<b>Who else do you think should be invited to participate in these meetings?</b>
US Forest Service
Board of Supervisors and planners
Good audience
More forestry and timber producers. It would probably be good to invite a processor (ex: Barsotti)
I didn't see anyone from the Board of Supervisors
Board appointed & EDAC group, ag groups, farm bureau, Christmas Tree growers, etc.
Again, we need to spread the work

**How can SACOG make the materials presented at the meeting more meaningful and useful to you?**

Less technical

Cost of Production "blank" form or easy edit ability with existing charts

I look forward to its conclusions once you factor in El Dorado County data

Focus more on El Dorado County

Just continue to add data we provide to have more accurate Foothill data

Materials were well done-no suggestions

I appreciate it all

**Additional comments:**

Big program. Provide timelines, benchmarks, deliverables. Identify tools that we will be able to use

I appreciate that David took time to go off agenda to discuss topics important to this group

## Rural-Urban Connections Strategy (RUCS)

County-by-County Update & Input Meetings

Summary for: El Dorado County Stakeholders

Meeting Date: January 22, 2013

Meeting Location: Agricultural Commission Conference Room

311 Fair Lane, Placerville, 95667

Participants represented: El Dorado County Department of Agriculture, Apple Hill Growers Association, El Dorado County Farm Bureau, El Dorado County LAFCO, Private Grape Grower, Private Cattle Operation, CalVANS, El Dorado County Transportation Commission, El Dorado County Planning Department, El Dorado Winery Association

Staff: David Shabazian, Robert McCrary, Libby O'Sullivan, Sharon Sprowls, Christine O'Rourke, Deborah Schrimmer

Total external participants: 11

**Summary:** Some stakeholders that had participated in the previous RUCS agricultural stakeholder meeting weighed in on SACOG's infrastructure and crop maps. It was noted that the maps were too complicated and should be simplified by numbering infrastructure sites and having a corresponding chart with their names. Another idea was to create transparent layer for the different kinds of infrastructure and to overlay them, but allow the viewer to look explicitly at any one layer.

SACOG staff first presented on the transportation elements of the Rural-Urban Connections Strategy (RUCS) project. Robert McCrary shared staff's work on identifying corridors for trucking produce from farms to markets. Stakeholders stressed that transportation patterns were different in El Dorado County- primarily their traffic flow is not farm-to-market, but market-to-farm. Stakeholders expressed interest in seeing SACOG develop maps on their agritourism transportation, rather than trucking intensities. They explained that large trucks are not as prevalent on the roads; most traffic comes from family vehicles visiting local wineries and Apple Hill. Also production is on a much smaller scale. One stakeholder stated looking at the goods movement of Yolo County is like trying to use the New York subway systems as a blueprint for transportation, it doesn't compare to El Dorado County. Goods move more frequently in smaller trucks.

The transportation patterns of grapes were discussed extensively. Participants noted that grapes (and other specialty crops) are typically driven to processing sites in pick-up trucks if they are not being processed on-site. Due to the microclimates of different grape varieties, they mature at different times and thus require smaller trucks and more frequent truck trips. However, there has been an increase in combining fruit when shipping it out of the region. When consolidating grape deliveries, fruits are usually aggregated in Placerville and then driven to Clarksburg. Stakeholders estimated that nearly 30 percent of crop production leaves the county.

Meeting participants next discussed changes in rural road use and the rural-urban interface. Stakeholders identified bicycle and pedestrian conflicts—especially on Highway 49—as a major challenge. El Dorado County stakeholders also explained that they favored increased urban traffic because it reflects who is buying their products. A long term goal and economic development strategy for the county is to both encourage and manage traffic from urban residents through Apple Hill.

Next, stakeholders discussed land use and transportation challenges such as rural sprawl and poor school siting. Most schools in El Dorado County are far away and school buses are expensive. As a result, most kids have to be driven, and vehicle miles traveled (VMT) for rural school traffic continues to grow. Meeting participants then briefly discussed the viability of legitimizing home occupations, telecommuting and improving broadband connection as VMT reduction strategies.

Next, the group discussed road quality in the Apple Hill district. In recent years, Caltrans has tried to mitigate congestion with new road geometry and intersection designs. Some participants were concerned that these improvements compromise some of the history and identity of the area's roads. A challenge for the county is to balance efficiency of the roads with the charm of the road and its terrain. Another congestion mitigation effort has been to increase public transportation at Apple Hill. For the last ten years, Apple Hill has tried to get people out of their cars by offering shuttle buses in partnership with the local transit authority. Currently, Apple Hill has two bus stops.

The tourism dynamic of El Dorado County lends itself to very different peak travel times. Most traffic is on the weekend from 11 AM to 5 PM. Over the years, more farmers in the area have diversified their farms to extend the tourist season at Apple Hill. In addition to the fall apple season, the summer brings berries and Christmas trees bring in traffic through the winter. It was noted that between almost 1/3 of Apple Hill tourists come from Nevada.

Transportation challenges for livestock were discussed next. Heavy truck regulations from the Air Resources Board prevent out-of-state trucks from coming into El Dorado County to pick up livestock. For example, the length/width of cattle hauling trailers are not allowed in California and new regulations at the end of the year will require changes in emissions. It is too costly for these trucks to be retrofitted to California standards; so as a result, there are increasingly more lost economic opportunities. Additionally, the California truck fleet that meets ARB requirements is not very large, so during peak season, there are consistently truck shortages to move cattle. Also there has been overall consolidation in the cattle industry. Right now there is only one location to sell product.

Staff then shared the findings of the transportation survey that was administered to the meeting participants. The responses from the questions revealed that wayfinding and supporting agritourism is one of the biggest concerns for the county. They also said one of the major roles SACOG should pursue is leading “marketing or branding efforts for regional agricultural goods and services and recreational opportunities”. David asked a follow-up question whether or not these efforts should be regionally based or specific to El Dorado County. The stakeholders responded that it should be broad and encompass the SACOG region.

The meeting then transitioned to the labor component of the Rural-Urban Connections Strategy (RUCS) project. One of the major labor issues in El Dorado County is that the county's topography and crops make mechanized labor unlikely. As a result, the long term availability of skilled workers is a primary concern for farmers growing specialty crops.

El Dorado County growers acknowledge that there is considerable demand for local foods (many are specialty crops and require hand operations). These markets, however, will remain untapped if there is not a dependable supply of local labor. Some stakeholders felt that this unrealized economic opportunity could be realized if a guest worker/ bracero program was implemented. Another option would be to create a more formalized labor cooperative. Currently, informal borrowing labor is a popular strategy for growers with small operations. One of the stakeholders explained that labor is an increasing problem with immigrants to the region. She went on to explain that for people that buy a vineyard it's more straightforward, and she can recommend a contractor that will help with harvest and pruning but with orchards it is much more challenging.

El Dorado County stakeholders expressed interest in learning more about labor issues in Napa Valley, which is believed to face similar year-round labor challenges. El Dorado County sees the importance of keeping both workers and their families in the county. Their farmworker housing opportunities provide much room for improvement – this will be addressed in their upcoming Housing element update.

Stakeholders shared concern for the long-term sustainability of agriculture in the region if there is not a steady supply of labor. Modern culture does not teach or put an emphasis on farming, so there is no reliable labor force. Participants agreed that securing an agricultural labor force is of chief importance; everything else will fall into place after that.

SACOG next steps:

- Simplify agricultural infrastructure map
- Create boundaries on active grazing lands on crop map
- Send out electronic survey of transportation issues to Apple Hill

Stakeholder next steps:

- Provide GIS crop layers and digital corrections to crop/infrastructure maps
- Invite SACOG to speak at upcoming meetings and events

Evaluation Results & Comments:

This meeting was well-organized
Average: 3.6/5
The length of the meeting was appropriate to get through the material
Average: 4.1/5 Could have been a little longer to cover everything- presentation was good and the discussion was very helpful
I felt that my personal background and experience helped contribute to the meeting's objectives
Average: 4.1/5
<b>Were there are parts of the meeting that should be avoided in the future?</b>
<p>Couldn't think of anything</p> <p>I think that as you give the transportation element presentation to Central Valley areas it will be more pertinent than it was in El Dorado County. It might have been more effective to tailor that presentation to a market-to-farm discussion.</p> <p>More local info- yours wasn't very helpful. We are so different.</p> <p>Shorten first presentation- more time allotted for county-specific feedback</p> <p>No</p> <p>No</p>
<b>What should be done next time to make these agricultural stakeholders meetings more effective?</b>
<p>Have more producer participation</p> <p>Issues that are foothill issues rather than valley issues</p> <p>Focus more on the specific county you are presenting in</p> <p>Maybe get a few more farmers involved</p>
<b>Who else do you think should be invited to participate in these meetings?</b>
<p>Regulators enforcing regulations</p> <p>More ag stakeholders</p> <p>local growers association, BOS members</p> <p>Local supervisors?</p>
<b>How can SACOG make the materials presented at the meeting more meaningful and useful to you?</b>
<p>Show local problems/issues</p> <p>Provide other county info via email but don't spend as much time on it</p> <p>Follow up meetings</p>
<b>Additional information:</b>
Appreciate your willingness to listen to us.

## Rural-Urban Connections Strategy

### County-by-County Update & Input Meetings

Summary for: Placer County Stakeholders  
Meeting Date: November 2, 2012

Meeting Location: Larry Oddo Finance and Administrative Building  
2962 Richardson Drive  
Auburn, CA 95603

Participants represented: Placer County Agricultural Commissioner's Office, Foothill Farmers' Market, Placer County Farm Bureau, UC Cooperative Extension, Small Farm Advisor, Private Mandarin Grower, Private Cattle and Organic Vegetable Grower and Placer County Department of Planning

Staff: David Shabazian, Monica Hernández, Libby O'Sullivan, Deborah Schrimmer

Total external participants: 7

Summary: Some stakeholders had some context for RUCS, but for some this information was completely new. The meeting started with an overview PowerPoint presentation on RUCS, where participants were encouraged to ask questions or make comments throughout the presentation.

Participants asked many questions and had many comments including, much of Placer County agriculture is in the foothills. When assessing crop types, because of the differences between foothill and valley operation practices, SACOG should consider creating Valley and Foothill profiles. It was noted that the foothill profiles would also apply to El Dorado County and parts of Yuba County.

Much of Placer county agriculture is wholesale and direct to market sales (farmers' markets, CSAs). The portion of direct to market sales skews county-wide market and revenue estimates, which needs to be considered in SACOG's cost and revenue data. Placer County growers are starting to break into the "local wholesale" market (local grocery chains) while this appears on its face to be a desirable market, there are still conflicts with ensuring sufficient product and purchase guarantees. Additionally, farmers' markets while creating opportunity for many, present many other fiscal challenges that are not figured into cost of production studies. When discussing regional and Bay Area demand for locally grown produce it was noted that there is not only opportunity, but capacity to enhance local grown labeling.

In reviewing the various types of estimating capacity for rural interests that exist in the iPLACE<sup>3</sup>S model, participants noted the value of the maps for growers to have as part of annual discussions with water purveyors. If water agencies know which properties are in active agriculture, they can prioritize those properties for water deliveries, particularly when supplies are short.

It was also pointed out that local and regional agricultural organizations need to hear more information on the symbiotic relationship between small- and large-scale agriculture. A good example is farm suppliers locating where there is more large-scale agriculture. Placer County growers face unusual challenges in accessing adequate supplies for standard farm operations. This includes lack of farm suppliers within the county. Stakeholders noted frequent travel to Yuba, Sutter and San Joaquin counties and travel to Nevada

for common pesticides and herbicides, heavy motorized equipment and implements. Also noted was a lack of technical expertise in local shops including the fact there is no Pest Control Advisors working in any of the farm supply outlets in the county.

SACOG Next steps:

- SACOG revise ag infrastructure map to include names of locations identified, where possible include names of farms
- SACOG send Excel file of livestock and other cost of production studies for stakeholder input
- SACOG works with county to update the crop map

Stakeholder next steps:

- Investigate opportunity to present at Placer County Small Farm Conference in January 2013
- Review farms on crop map
- Provide historical packing shed information to SACOG and other ag infrastructure information

#### Evaluation Results & Comments

<b>RANKING:</b> 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree
<b>This meeting was well-organized.</b>
Average: 3.86/5

<b>The length of the meeting was appropriate to get through the material.</b>
Average: 3.67/5

<b>I felt that my personal background and experience helped contribute to the meeting's objectives.</b>
Average: 4.14/5

<b>Receiving the materials in advance helped me feel more prepared for the meeting.</b>
Average: 4/5

<b>Were there any parts of the meeting that should be avoided in the future?</b>
This was a good, open minded group.
Technical difficulties
Bogged down at points, but overall great

<b>What should be done next time to make these agricultural stakeholders meetings more effective?</b>
You could use two meetings to get through the materials. Folks had a lot to share
Probably need more time
Try to narrow down what is really relevant to participants
Narrow focus
Stick to timeline a little more
Excellent Meeting

<b>Who else do you think should be invited to participate in these meetings?</b>
Rice, commodity farmers
A few more farmers, more ranchers

Good group present

This core group seemed well-targeted

**How can SACOG make the materials presented at the meeting more meaningful and useful to you?**

Labels on infrastructure businesses

Interactive, spreadsheets, notations on maps

## Rural-Urban Connections Strategy

County-by-County Update & Input Meetings

Summary for: Placer County

Meeting Date: January 25, 2013

Meeting Location: Placer County Community Center

3091 County Center Drive

Auburn, CA 95603

Participants represented: Placer County Community Development Resource Association, University of California Cooperative Extension, Placer County Planning Department, CalVans-California Vanpool Authority, Placer County Agriculture Department

Staff: David Shabazian, Robert McCrary, Libby O'Sullivan, Sharon Sprowls, Amy Lee

Total external participants: 6

**Summary:** SACOG staff first presented on the transportation elements of the Rural-Urban Connections Strategy (RUCS) project. Robert McCrary shared staff's work on identifying corridors for trucking produce from farms to markets, and truck trips by month through an animated map series.

Placer County stakeholders had similar comments and suggestions to El Dorado County participants. They explained that their roads are in poor conditions, particularly for large trucks, and they feel there is a reluctance to improve the roads because it can create an arterial becoming a de facto highway. One stakeholder commented that farmers are okay with potholes now and then if it keeps the number of commuter vehicles down. Also, the issue in Placer County is not a goods movement constraint. In the flat lands, where there is commodity production, there is sufficient infrastructure and product moves easily. There are some small conflicts associated with the movement of implements and people that want to go fast on country roads. The issue is more with livestock and small scale agriculture and agritourism in the foothills. One stakeholder pointed out that 90 percent of the livestock goes outside of the county for processing and this is a major lost opportunity. There have also been issues with licenses for the livestock truck drivers. In regards to locally serving agriculture, there is a shortage of supply to meet the growing demand. This is true for raw product and agritourism.

Staff also presented the harvest truck trip data. Stakeholder comments were similar to what we heard in Sutter and Yuba counties. The stakeholders pointed out the problem of comparing all other crops to trucks trips produced from processing tomatoes and the need to include input transport, particularly with rice. One stakeholder also asked if train trips are going to be included in the study, it plays an important role in the movement of grain.

The transportation presentation sparked a large conversation about the role of SACOG. Stakeholders wanted to understand more clearly the relationship between data collection and analysis and inciting change. They wanted to understand how SACOG could effect change particularly in a state with crumbling infrastructure and extreme fiscal constraints, and what SACOG could do to prioritize funding for construction and maintenance of roadways and other transportation facilities in rural areas. One of the stakeholders responded to these questions by pointing out that SACOG Board of Directors is one of the few if not the only site for these kinds of conversations to occur, and that SACOG Board is in one of the best positions to shift the way that funding is prioritized.

Then SACOG staff presented the agricultural infrastructure map. This started a very lively discussion. There is a dearth of processing in the region and they do not feel that the map adequately reflects that. There is only one commercial kitchen in the county (Twin Peaks). Participants stated that SACOG staff should be more explicit about their criteria for selection and might need to narrow down our definition. There are a lot of farms that pack product in the area but they should not be considered packing sheds because they only pack their own product. One stakeholder suggested that a facility should only be considered if they add value to products from multiple producers. They once again stressed the importance of differentiating agriculture as a commercial business from small scale home ownership. Stakeholders disagreed about whether or not different farms would respond to changes in demand, and shift from small-scale/landscaping niche to agricultural.

The workshop topics also included broad discussions on land use. One of the stakeholders brought up the increasing acreage going into conservation and added it is still unclear if this will be an opportunity or a limitation. They also pointed to the repercussions of 1950-60s land use decisions that cut up all the land into 5-10 acre parcels, compared to El Dorado County with 10-20 acres. Participants commented that the parcel sizes make it very difficult to get enough land to build a viable farming operation. Currently, there are only contiguous parcels in the flat lands. Small and separated parcels can make it difficult to find long term leases. There are a handful of examples of ranchers cobbling together grazing land but irrigated pasture is in short supply. There have been other efforts to aggregate land but owners are not responsive. A lot of people in the area do not understand the realities of agriculture, and that people who don't work in agriculture think that it should be a non-profit.

During the transportation survey, stakeholders identified regulations as an important challenge. The stakeholders went on to explain for wineries there are limitations about what they can do and where. The regulation challenge for fruit and vegetable growers in the county are centered on the process of hosting on farm events. The procedures and permits can be daunting for growers, and costly. One example of a challenge is the assumption that farm driveways should meet the same standards and requirements as roads. There is movement within the county to streamline some of the regulations.

The meeting then transitioned to the labor component of the RUCS project. During interviews with Placer stakeholders, Participants added that labor was not a significant issue in Placer County because the small scale of production did not require hiring outside labor, this matched the findings of staff's research.

Producers in Placer County are developing enterprises that are working really well if you just look at gross product, but many of them are not paying themselves enough. If they want to expand to increase their own salary, they often have to hire someone else. This requires doubling their size which is not doable. This is attributable to the land use issues discussed earlier and the shortage of labor in the region. There is also an issue with workers compensation and the increased liability with using multiple workers. This is just an additional cost. In particular, skilled agricultural labor is very difficult to come by, especially because of the reliance on direct marketing, quality is paramount.

Many of the growers commented that they refuse to use contract labor because the quality of labor doesn't match the need. The other problem is the seasonal nature of the work in the foothills. Producers cannot offer year round labor, so workers do not have the incentive to come up here. So finding labor when you need it and being able to rely on it is a challenge. Also with the small acreage problem it just takes less time to do the work, making it less attractive to workers. It is also expensive to live in the foothills so most of the labor is coming from the valley around Yuba City and Marysville. The county passed new zoning ordinances allowing on farm housing, but so far there are only a few people testing it out.

Two of the cooperative extension specialists were meeting with growers later in the day to talk about the challenges of capitalizing small farming operations.

SACOG next steps:

- Placer County Pesticide Use GIS layer

Stakeholder next steps:

- Help SACOG staff identify and gain access to interviewees for Baseline Road Case study

Evaluation Results & Comments:

<b>The length of the meeting was appropriate to get through the material</b>	
Avg: 3.2/5	
<b>I felt that my personal background and experience helped contribute to the meeting's objectives</b>	
Avg: 4/5	
<b>Were there parts of the meeting that should be avoided in the future?</b>	
Transportation section might be a little more focused The transportation maps were difficult to understand and may need to be broken down further	
<b>What should be done next time to make these agricultural stakeholders meetings more effective?</b>	
Short meeting More data	
<b>Who else do you think should be invited to participate in these meetings?</b>	
More farmers Farmers/business/ processors More growers	
<b>How can SACOG make the materials presented at the meeting more meaningful and useful to you?</b>	
Number/figures/ better raw data	
<b>SACOG would like to continue this conversation. What is the best way to keep stakeholders engaged?</b>	
More meetings similar to this one, 4 votes Monthly newsletters, 1 votes Shorter check-ins and project updates at ongoing gatherings, 4 votes	
<b>Other:</b>	Report shared Planned breakfasts or lunches

**Rural-Urban Connections Strategy (RUCS)**  
County-by-County Update & Input Meetings

Summary for: Sacramento County Stakeholders

Meeting Date: November 29, 2012

Meeting Location:

4137 Branch Center Road

Sacramento, CA 95627

Participants represented: Small scale rancher, Farm Bureau, Sacramento County Agricultural Commission, small scale farmer, California Rice Commission, University of California Cooperative Extension

Staff: David Shabazian, Monica Hernández, Libby O'Sullivan, Deborah Schrimmer

Total external participants: 6

Summary: Most stakeholders were familiar with the RUCS project, but had not heard about the project for a few years. The meeting started with an overview PowerPoint presentation on RUCS, where participants were encouraged to ask questions or make comments throughout the presentation. The PowerPoint then gave an update on its technical tools and research aspects.

Participants spent most of the meeting evaluating the Cost of Production (COP) studies and other inputs of SACOG's iPLACE<sup>3</sup>S model. Participants expressed concern in using the COP studies as the underlying data source for the iPLACE<sup>3</sup>S model because they are derived from an average of both large and small scale farmers, which makes them more highly theoretical. There was a suggestion to break up the model into small scale and large growers as a way to provide a more realistic picture of agriculture in the region.

Establishment costs were identified as a contentious input in the model. The model currently factors in buying land, which adds an additional overhead cost for farmers. Participants said that many farmers go into farming because they already own or have access to land. There was a suggestion to remove land costs as an overhead cost in the iPLACE<sup>3</sup>S model.

A participant suggested that the COP studies be better formatted because they are currently very difficult to follow. Including an overview scenario of a farm—number of acres on the farm, quantities of yields, % of produce going to market, etc. Other participants agreed on this idea. There was also a recommendation to re-examine grazing land in the model. It is not a form of production, but a combination of beef production and other activities on the land. This could be better captured in the model. A participant also said that the establishment cost of grapes should be spread out over 20 years.

Another idea to make the COP studies more accessible was to break them into two scenarios—a theoretical scenario based on an average year on the farm, and then another scenario which would be for starting a new farm. That way, the establishment costs associated with both scenarios could be differentiated.

The group next discussed regulations in the agricultural industry. A major complaint was that many of these regulations require farmers to fix things that they don't necessarily know how to fix. There was a general

consensus that ARB and other environmental regulations are overly bureaucratic and punish farmers who are trying to do the right thing.

A representative from the rice industry emphasized the role of rice fields providing a habitat for endangered species. Other participants weighed in on the important connection between agriculture and habitat conversation.

SACOG Next steps:

- Staff will talk to Karen Klonsky about land costs and land values in the COP studies
- Staff will look into reorganizing the COP studies so they are more accessible
- Staff will look into creating new farmer vs. established farmer COP studies

Stakeholder next steps:

- The Sacramento County Agricultural Commission will send GIS pesticide reports and other data layers to SACOG so they can be used update their county's crop map

Evaluation Results & Comments:

<b>RANKING:</b> 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree
<b>This meeting was well-organized.</b>
Average: 4/5
<b>The length of the meeting was appropriate to get through the material.</b>
Average: 4.2/5
<b>I felt that my personal background and experience helped contribute to the meeting's objectives.</b>
Average: 4.2/5
<b>Receiving the materials in advance helped me feel more prepared for the meeting.</b>
Average: 4/5
<b>Were there any parts of the meeting that should be avoided in the future?</b>
No, all were useful
<b>What should be done next time to make these agricultural stakeholders meetings more effective?</b>
Better spreadsheets- labels, units, etc.
Present info to a group of growers who are already meeting to get a bigger a group
Having the agenda ahead of the meeting
<b>Who else do you think should be invited to participate in these meetings?</b>
<b>How can SACOG make the materials presented at the meeting more meaningful and useful to you?</b>
It would be nice to get a powerpoint- either hard copy or electronic

**Rural-Urban Connections Strategy**

County-by-County Update & Input Meetings

Summary for: Sacramento County Stakeholders Meeting Date: March 5, 2013

Meeting Location: Sacramento Farm Bureau Conference Room  
8970 Elk Grove Blvd  
Elk Grove, CA 95624

Participants represented: CalVans, Sacramento County Farm Bureau, Sacramento Agricultural Commissioner's office

Staff: David Shabazian, Robert McCrary, Libby O'Sullivan, Sharon Sprowls

Total external participants: 5

SUMMARY: The meeting started with a presentation on the transportation pieces of the Rural-Urban Connections Strategy. The follow-up discussion centered on road conditions within Sacramento County. The group contended that road improvements are generally for housing and not agriculture. The participants are interested in ways to improve road conditions but in a way that does not make a call to build more houses on agricultural land. Participants stated that goals for south Sacramento County should be to keep agricultural land in production, and make road improvements without inducing more residential development. Grant Line Boulevard was cited as an example.

Participants commented that road conditions aren't the only challenge in distributing agricultural goods. It was noted that general efficiency is a challenge— sometimes packing houses have to be shut down because goods simply can't be moved there in an efficient manner. It was stressed that the best way to improve efficiency is by using big trucks to transport goods. Yet, there are certain barriers with using big trucks (e.g. certain parts along the I-5 corridor do not allow trucks over 65 feet).

The group also reviewed SACOG's map of goods movement and Farm-to-Market corridors. Participants were especially interested in the connection between Highway 99 and Interstate 5. Eschinger Road was identified as an important route for markets, but one that tickets trucks for traveling. A cost share between land owners, the County of Sacramento, and trucking companies helped fund the improvements to the roads so trucks could travel on them. Stakeholders felt this was not the best way to address the issue.

The group commented that regulatory issues pose a bigger threat to agriculture than transportation issues. Stakeholders explained that they have shared information with other groups in the past about the cost of regulatory compliance for production agriculture and would like to see SACOG work more closely with the California Farm Bureau. It was noted that cost of compliance for regulations vary by county, and that finding the specificity will be difficult. However, there are also many regulations at the state and national level. There is incredible disconnect of decisions being made at a high level and the people at the bottom of the chain get having to pay for them. Stakeholders would like to see SACOG Board of Directors use its regional political position to collectively organize arguments against these regulations, and/or influence future regulations.

The topic broadened to both transportation and land use planning. Participants discussed how they would like to see jurisdictions be more thoughtful in their land use and transportation planning. They would like to see SACOG's information be better disseminated and play a larger role in the decision making process. There was concern that Elk Grove could continue to grow in a way which undermines agricultural viability. Stakeholders suggested that in future transportation funding rounds, there should be added criteria about economic impact on agriculture in the financing application. There should also be more emphasis in looking at surrounding land uses to the roads being included in projects that the county considers.

Stakeholders mentioned that Sacramento County's General Plan has a map with expanding county roads from two lanes to four lanes. They mentioned trying to find a way to require that rural road expansions are for rural purposes (i.e. agriculture) and not to shift urban commuter traffic onto rural roads.

The conversation then switched from transportation to labor. Participants discussed labor- intensive crops in the county, particularly emphasizing cherries and olives. All crops (but especially these ones) had labor shortages. Labor intensive crops cannot be mechanically harvested. Some olive farmers are shifting to mechanization, but some crops (i.e. pears) have to be hand harvested.

Stakeholders commented on their efforts to maintain labor camps in the county. They explained that it is as expensive to rent a place in Courtland as it is in Sacramento. However, having the labor camps hasn't helped the area keep its laborers. During the conversation, labor shortages were extensively related to the construction industry. There was concern that when construction ramps up again, the labor shortages will be further magnified.

### Next Steps:

- Maintain communication about upcoming work on CDFA specialty crop grants: (1) multiplier of agriculture cost and (2) county fair infrastructure
- Identify gaps in regulatory costs
- SACOG should look into developing an ombudsman for the region to look at unfair regulatory costs on farmers

## Evaluation Results &amp; Comments:

<b>RANKING: 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree</b>
<b>This meeting was well-organized</b>
Average: 3.3
<b>The length of the meeting was appropriate to get through the material</b>
Average: 3.6
<b>I felt that my personal background and experience helped contribute to the meeting's objectives</b>
Average: 3.6
<b>Receiving materials in advance helped me feel more prepared for the meeting.</b>
Average: 1.6
<b>What should be done next time to make these agricultural stakeholders meetings more effective?</b>
Clearly state the propose of the meeting Try to get more stakeholders to attend- difficult
<b>How can SACOG make the materials presented at the meeting more meaningful and useful to you?</b>
Be able to explain the maps Get electronic copies of pdfs

**Rural-Urban Connections Strategy (RUCS)**  
County-by-County Update & Input Meetings

Summary for: Yuba and Sutter County Stakeholders  
Meeting Date: November 9, 2012

Meeting Location: Sutter County Agricultural Commissioner's Office  
142 Garden Highway  
Yuba City, CA 95991

Participants represented: Yuba-Sutter Farm Bureau, small farmer, Yuba City, Sutter County Planning Department, Sutter County Agricultural Commission, Orchards farmer, Yuba County Agricultural Commission, Yuba County Economic Development, University of California Cooperative Extension

Staff: David Shabazian, Monica Hernández, Libby O'Sullivan, Deborah Schrimmer

Total external participants: 10

Summary: Some stakeholders were familiar with the Rural-Urban Connections Strategy (RUCS) project, but for others this information was completely new. The meeting started with an overview PowerPoint presentation on RUCS, where participants were encouraged to ask questions or make comments throughout the presentation.

Participants agreed that the major challenge facing farmers is staying on the farm. It was noted that government agencies should be careful when implementing new regulations because farmers already do a lot of mitigation strategies. The group said communicating the importance of agriculture to policymakers is a major challenge. There was a perception that policymakers often only see agriculture as an industry to regulate and not support. Participants said that farmers do not currently get rewarded for their mitigation efforts (i.e. crop rotation); government just continues to add new measures for farmers to follow and face penalties if they do not.

The peach industry has dropped dramatically in Yuba and Sutter County. Eight years ago, Yuba County had 7,000 acres in peaches, now there are only 4,000 acres. As a result, many of the peach processing plants have relocated. Walnuts are increasing in acreage in both counties- there are nearly 12,000 acres in production. There has also been a downward trend in almond and dried plum production. Production of dried plums has gone down by almost 10,000 acres, and now there are only 4,000 acres in almond production.

When discussing labor issues, it was noted that the 2012 growing season had labor shortages for peaches. Participants wanted to know if access to healthcare for laborers is a component of the RUCS project. Staff reported that this will be included in an update meeting in 2013, when staff will present information on labor and transportation elements of the RUCS project.

In reviewing the inputs of the iPLACE<sup>3</sup>S model, participants noted that the seasonality of food products could be incorporated. Participants also suggested including the payback of loans on capital investments. There was also a suggestion to include agritourism into the iPLACE<sup>3</sup>S model, as this is becoming a significant economic driver for both counties. Meeting attendees expressed interest in learning how to easily create bed-and-breakfast and agritourism sites.

Participants asked many questions and had many comments about the role of Community Supported Agriculture and Farmers Markets in Yuba and Sutter County. Participants discussed the importance of scale, and the challenges these direct markets present for small farmers. The group identified cost barriers and the need for niche markets. Large processors do not want to take the time to deal with niche markets, so they provide competitive opportunities for smaller growers and processors. Stakeholders agreed that farmers need time, patience and education will be needed to break into new markets throughout the region.

It was noted that if the region is going to invest in new infrastructure for processing, it should consider labeling. Labeling is expected to be the “next big thing”, especially as more overseas investors buy land in California for agriculture. There is an expected high demand for different sizes, labels, marketing, logos, and packing by foreign interests. For example, the first warehouse in China that only carries American produce just opened. They are willing to pay a lot to market the produce as American grown. Participants expect to see these sorts of opportunities in Yuba and Sutter County.

SACOG Next steps:

- SACOG will pass along Cost of Production studies to Chris Greer and Jenine Hasting
- SACOG will create a seed crop/ nursery cost of production study
- SACOG works with county to update the crop map

Stakeholder next steps:

- The Farm Bureau and Agricultural Commissioners will work on getting more growers engaged in project

## Evaluation Results & Comments

<b>RANKING:</b> 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree
<b>This meeting was well-organized.</b>
Average: 4.6

<b>The length of the meeting was appropriate to get through the material.</b>
Average: 4.2

<b>I felt that my personal background and experience helped contribute to the meeting's objectives.</b>
Average: 3.4

<b>Receiving the materials in advance helped me feel more prepared for the meeting.</b>
Average: 4.4

<b>Were there any parts of the meeting that should be avoided in the future?</b>
Well run meetings
No. All was helpful, especially being unfamiliar

<b>What should be done next time to make these agricultural stakeholders meetings more effective?</b>
Involve UC + Farmers
More farmers
More growers, although they are hard to nail down!

<b>Who else do you think should be invited to participate in these meetings?</b>
UC + Farmers
Farmers, growers, processors
Farmers
Farmers
UCCE crop advisors. Pest control advisors- i.e. Helenda, Grower's Ag Service. The PCAS has a thorough understanding of inputs and are familiar with crop locations.

<b>How can SACOG make the materials presented at the meeting more meaningful and useful to you?</b>
Was very well presented for being what I consider a complicated topic. Real examples of how the program has actually been out to use would be helpful.

**Rural-Urban Connections Strategy**  
County-by-County Update & Input Meetings  
Summary for: Yuba and Sutter County  
Stakeholders Meeting Date: January 24, 2013

Meeting Location: Yuba-Sutter Farm Bureau  
475 Palora Avenue  
Yuba City, CA 95991

Participants represented: Pacific Coast Producers, CalVANS, Yuba County, California Highway Patrol, Sutter County, Yuba-Sutter Farm Bureau, University of California Cooperative Extensive, Growers

Staff: David Shabazian, Robert McCrary, Libby O'Sullivan, Sharon Sprowls, Clint Holtzen

Total external participants: 11

Summary: The meeting began with staff presenting the transportation elements of the Rural-Urban Connections Strategy (RUCS). Robert McCrary shared staff's work on identifying corridors for trucking produce from farms to markets, and truck trips by month. Participants suggested that it might be useful to include more information on the map like cities and more distinct county boundaries. The stakeholders also had a number of questions regarding goods movement. They wanted to know if SACOG staff was able to determine the movement of goods originating from Yuba and Sutter versus traveling through them. The stakeholders suggested that much of the goods movement in the county was goods movement from Colusa County. Staff then presented an animated map showing season truck trip generation by crop type in the region. For this map, they suggested that staff exclude processing tomatoes because the tomato trucks/acre are much higher than any other crop.

The transportation patterns of rice production were discussed in detail. This was one example where the stakeholders felt that production truck trips were significant. For rice it is the movement of seed, inputs (particularly fertilizer) and implements. This also sparked a conversation about the destination for lots of the crops. They explained that rice was stored and then transported to a mill. One stakeholder suggested that we sit down with growers of different commodities and create goods movement maps, showing where and when truck trips take place. This would include inputs, movement of implements, and final transport of product.

The meeting then transitioned to the labor component of the RUCS project. Before the formal presentation got started one farmer spoke about his own challenges as a walnut grower. For the last few years he has offered his employees, after one year of working on the farm, ownership shares, 401k, and healthcare. Yet he has struggled to attract and retain labor. He speculated this was because people are primarily concerned with the wage, and can't think outside of the box. He thought this might have something to do with differences in personal values or language barriers.

Another farmer agreed with these difficulties. He sits on the Farm Bureau board, and explained that peaches had labor shortages during May and June of 2012. He estimates a 20 percent shortage. He went on to state that it is not necessarily a labor problem but indicative of much larger issues. He met with an official from Mexico who identified much of the same rationale for the shortage as those presented by SACOG staff – a stronger Mexican economy, a more dangerous border, and declining birth rates. At this point one of the other stakeholders commented that it cost somewhere between \$8,000-\$10,000 to come into the United States, and that due to the increased danger, no one is willing to cross alone.

We then discussed alternative sources of labor (convicts, young people, foreign students). The peach farmer spoke of one UC Davis undergraduate who came to his on farm to work. They usually start the pick at 5:30 a.m. and she showed up at 9 a.m. This started a conversation about larger trends in changes in work ethics amongst different generations. These issues were supported and repeated by other growers.

Then the conversation turned to services offered to agricultural labor to make working in the region more attractive. They pointed out that the coming and going of agriculture labor makes the issue of health care very difficult. A small percentage of farmers in the region offer any kind of healthcare package. They thought that most of the workers would be more interested in housing, and thought it would be a major asset in the region. This was the first time SACOG staff had heard this from any of the stakeholder groups. A fluctuation in prices at one of the affordable housing locations, Richland, is directly felt by workers. It was commented by more than one participant that offering on-farm housing was very costly and not a viable option for most growers.

Finally the conversation turned to solutions. One farmer speculated that the market conditions would correct themselves. Growers would start to shift to less labor intensive crops. This has already started to happen in the region between the shift from peaches and prunes to walnuts. There was a lot of talk about over production of walnuts, and expectations of drops in prices. Nearly all of the stakeholders agreed that one strong labor shortage solution would be a better guest worker program.

#### SACOG Next Steps:

- Continue to provide work updates

#### Stakeholder Next Steps:

- Invite SACOG staff to present at other agricultural stakeholder meetings

Evaluation Results & Comments:

<b>RANKING: 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree</b>
<b>This meeting was well-organized</b>
Avg: 3.6/5
<b>The length of the meeting was appropriate to get through the material</b>
Avg: 3.2/5
<b>I felt that my personal background and experience helped contribute to the meeting's objectives</b>
Avg: 4/5
<b>Were there parts of the meeting that should be avoided in the future?</b>
Transportation section might be a little more focused The transportation maps were difficult to understand and may need to be broken down further
<b>What should be done next time to make these agricultural stakeholders meetings more effective?</b>
Short meeting More data
<b>Who else do you think should be invited to participate in these meetings?</b>
More farmers Farmers/business/ processors More growers
<b>How can SACOG make the materials presented at the meeting more meaningful and useful to you?</b>
Number/figures/ better raw data
<b>SACOG would like to continue this conversation. What is the best way to keep stakeholders engaged?</b>
More meetings similar to this one, 4 votes Monthly newsletters, 1 vote Shorter check-ins and project updates at ongoing gatherings, 4 votes <b>Other:</b> Report shared Planned breakfasts or lunches

## Rural-Urban Connections Strategy

### County-by-County Update & Input Meetings

Summary for: Yolo County Stakeholders

Meeting Date: Friday, January 11, 2013

Meeting Location: Yolo County Farm Bureau  
69 Kentucky Avenue  
Woodland, CA

Participants represented: Yolo County Farm Bureau, large-scale alfalfa, large-scale processing tomatoes, co-operative tomato processing, Yolo County Planning Department, Yolo County Board of Supervisors, Yolo County Department of Agriculture, Davis Farmers' Market, cattle operation, meat processing and distribution, wine grape grower and processor, and almond production

Staff: David Shabazian, Monica Hernández, Libby O'Sullivan

Total external participants: 11

Summary: While two meeting attendees had had significant exposure to the Rural-Urban Connections Strategy (RUCS) project, for most this was new information. The meeting started with discussion about SACOG's authority for work in agriculture and operating budget. Staff explained the work within RUCS is a result of the 2008 Metropolitan Transportation Plan (MTP) Environmental Impact Report Mitigation Measure and a Transportation Control Measure for the 2008 MTP. Statements from stakeholders included concern that SACOG plans (MTP/SCS) have no teeth and that counties will continue to develop and do what they want to. A discussion about the regulatory requirements for transportation dollars to be realized within any jurisdiction via the MTP/SCS followed. Participants questioned how the SACOG Board of Directors and/or staff work directly with developers in the region. Staff explained that SACOG serves at the direction of the SACOG Board, and at board member request will work with project developers. Staff were asked to discuss the infill development incentives under SB 375. The discussion also briefly talked about the IMPACS model, as a development tool for rural community planning, a full description was included during the RUCS presentation for the stakeholders. It was noted by a stakeholder that elected officials need to look at the IMPACS model when making development decisions and planning for growth.

The stakeholders had a substantive dialogue regarding the cost of production studies that feed into iPLACE<sup>3</sup>S model to test different land use scenarios. It was pointed out that the biggest issue with the cost of production studies were the capital start-up costs— the studies demonstrate the capital costs incurred in the first year of operation, but in reality those costs are spread over the first few years of the operation. Staff noted that while the studies show those costs in year one, that when staff runs individual scenarios, that those costs can be adjusted along with the other inputs in model. Staff noted that these types of comments were very important for staff to hear, and encouraged the continued input on the details within the cost of production studies and their application in the model. A gap identified in the studies was the differentiation of micro-sprinkler for orchards.

It was also noted that some stakeholders felt the data for RUCS only being within the SACOG region and not including Solano County, was a significant gap, and that Yolo County stakeholders need to have that information to truly assess and make decisions about land use and transportation planning. Staff noted the

jurisdiction of the SACOG region, but added that staff is currently working with staff at Solano County to enhance the data in the Crop Map. Staff also asked that Yolo County staff help to build the relationship and help obtain the appropriate data given the strong relationship between the two counties.

Stakeholders asked what role SACOG plays in easements. Understanding that SACOG did not have jurisdiction nor a formal role in easements, stakeholders asked staff to be another voice for farmers regarding easements. Participants said that more often farmers are leery of easement programs because of qualifying requirements changing year to year. Staff noted that addressing regulations is part of the RUCS open space work, but the work is more analytical versus legislative action.

When looking at the demonstration of the Predictive Model, a comment was made that while the model shows more fallowing under certain scenarios, it doesn't show that within that fallowing is likely transition to a higher value crop or double cropping, especially in Yolo County where there is a lot of high quality soil.

As the work for the local food market was presented, participants asked why there was such a low number (2 percent) for local food consumption. Staff commented on the missing infrastructure needed to support a more local food system, which would allow more of the agricultural value to be captured within in the region. Comments were made that the biggest challenge to local growers in building the needed infrastructure is regulations—over regulation, conflicting regulations, and the interpretation of regulations. Other challenges to the local system are the way large grocery stores want to purchase from a single source, which often displaces smaller diversified farms, they also require gap certification which is difficult for smaller growers. It was commented that we (growers and SACOG) need to look at both conventional and organic to open pathways to the largest markets. During this discussion, accessing international markets was also covered as a key piece to keeping our region's largest farms in production. One specific challenge pointed out for local growers is getting contracts beyond one year—consumers don't want to over commit (e.g. guarantee purchase price and quantity), but growers need a longer commitment. These types of contracts will never be realized until there is a strong centralized aggregation and distribution system within the region.

A robust conversation occurred regarding greenhouse gas emissions. It was noted that research from UC Davis indicates the urbanized land produces 70 times more greenhouse gas emissions than agricultural lands. Stakeholders asked about getting AB 32 funds invested into agricultural transportation infrastructure. This led to a broader discussion about rural transportation. The issue of processing leakage due to AB 32 was also discussed. During this discussion, the stakeholders explicitly said that SACOG help was needed in helping to align and address regulations, it was reiterated that agriculture needs another voice.

Stakeholders noted that load capacities are creating more truck trips and economic challenges in moving product, in order to compete in global markets, the load capacities have to be addressed. There was discussion of commuter driver conflicts on rural roads and specifically Highway 16. One stakeholder had specific questions about a road project he would like to see implemented, a brief dialogue about transportation planning processes occurred, but it was pointed out that the following RUCS meeting was the place for that dialogue, as it will have the transportation work as the topic.

SACOG next steps:

- Schedule follow up meeting with transportation focus
- Review crop data provided by Yolo County planning
- Email PDF of infrastructure map to stakeholders
- Prepare MTIP and project delivery information for next meeting

Stakeholder next steps:

- Invite SACOG to other standing meeting to present overview information to more stakeholders
- Invite other stakeholders to attend next RUCS meeting
- Mark up agricultural infrastructure and crop maps

Evaluation Results & Comments:

<b>RANKING:</b> 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree
<b>This meeting was well-organized.</b>
Average: 4
<b>The length of the meeting was appropriate to get through the material.</b>
Average: 4.1
<b>I felt that my personal background and experience helped contribute to the meeting's objectives.</b>
Average: 3.8
<b>Receiving the materials in advance helped me feel more prepared for the meeting.</b>
Average: 4.1
<b>Were there any parts of the meeting that should be avoided in the future?</b>
No
Keep and allow open discussion
All were helpful for me
You are trying to do too many projects
Not at this time
<b>What should be done next time to make these agricultural stakeholders meetings more effective?</b>
State up front what the purpose of the meeting is and what you hope to accomplish
More money for roads rural
Update mapping brought out
Good start for first meeting
I liked it
<b>Who else do you think should be invited to participate in these meetings?</b>
County manager, mayors
More growers

People from State regulation
Smaller organic industry farmers
More stakeholders
<b>How can SACOG make the materials presented at the meeting more meaningful and useful to you?</b>
Email out and summary
Ag is changing must be flexible
Keep updating ag production maps
I liked it all
<b>Additional comments:</b>
Next meeting show all of the rural transportation proposals that have been made to date. Do transportation and RUCS meeting by region.

## Rural-Urban Connections Strategy

County-by-County Update & Input Meeting

Summary for: Yolo County

Meeting Date: February 27, 2013

Meeting Location: Farm Bureau Conference Room

69 Kentucky Road

Woodland, CA 95695

Participants represented: CalVans, processing tomato farmer, wine grape grower, Yolo County Agriculture Commissioners office, and Yolo County Resource Conservation District

Staff: David Shabazian, Robert McCrary, Libby O'Sullivan, Sharon Sprowls, Amy Lee

Total external participants: 5

**Summary:** SACOG staff first presented on the transportation elements of the Rural-Urban Connections Strategy (RUCS) project. Work on identifying corridors for trucking produce from farms to markets was presented to the participants. Stakeholders stressed the importance of including input truck trips into the analysis. One larger processing tomato and grape grower explained that they typically buy inputs by the truck load. They will store the product on site and use it as needed. They often get multiple deliveries during the year. One stakeholder suggested that we contact some of the most widely utilized input sellers, since they are making deliveries they know exactly where product is coming and going. One farmer also worried that the truck trips did not accurately reflect the seasonality of wine grape harvest; it needed to continue through October.

During the meeting, one grower talked about innovations in agriculture. One was the use of drip irrigation in alfalfa and a 30 percent increase in processing tomato yields with the use of drip irrigation. While this wasn't part of the planned agenda, staff and others engaged in the dialogue.

The meeting then transitioned to the labor component of the RUCS project. The stakeholders felt that the SACOG findings were accurate and representative of the realities on the ground in Yolo County. They wanted to stress that there are different types of labor, skilled and unskilled. There are shortages in both segments of the labor force. Much like the second generation of farmers shrinking, the same holds true for the second generation of agricultural labor. The majority of their workers' children are not interested in agriculture.

One of the challenges to maintaining labor identified by participants was housing and local regulations for having on site housing. For the last year and half, Yolo County has been trying to streamline the process and make it easier to build clustered agricultural workers housing on site. One farmer explained that he is interested in offering housing to his year round workers but no for his seasonal employees. He is located in the Delta and explained that a lot of the housing has been taken out and that it is very unlikely that it will be rebuilt. He believes most of the workers live in nearby metropolitan areas like Elk Grove and West Sacramento.

Another challenge that the stakeholders spoke about was transportation for laborers. A lot of their employees can't/shouldn't drive because they don't have a driver's license.

## Attachment E

One result is, that one person who can drive transports more passengers than the vehicle can safely accommodate. A growing concern for farmers and labor contractors is increasing regulation and fining from California Occupational Safety and Health Administration.

SACOG next steps:

- Talk to each county about getting access to their pesticide use GIS file
- Consider selecting a second case study location

Stakeholder next steps:

- Invite SACOG to speak at upcoming meetings and events

### Evaluation Results & Comments

<b>RANKING: 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree</b>
<b>This meeting was well-organized</b>
Avg: 4.5
<b>The length of the meeting was appropriate to get through the material</b>
Avg: 4.25
<b>I felt that my personal background and experience helped contribute to the meeting's objectives</b>
Avg: 3.75 I do resource conservation in the ag setting; labor and transportation not really my expertise
<b>Were there parts of the meeting that should be avoided in the future?</b>
Lean more heavily toward getting input from attendees, less forward presentation
<b>What should be done next time to make these agricultural stakeholders meetings more effective?</b>
Possibly begin looking into specific issues (detailing) More feedback from local producers Poll your email list and ask why they didn't come: weather, farming needs, etc? Getting more farmers here will help you the most
<b>Who else do you think should be invited to participate in these meetings?</b>
County Transportation and Planning staff County Department agents that are specific to funding and project criteria More farmers, ranchers, producers I don't know who you invited so I can't answer that
<b>How can SACOG make the materials presented at the meeting more meaningful and useful to you?</b>
Handouts of powerpoints on larger than normal paper. Hard to see data on powerpoint presentations. Thought the material was quite meaningful Email preentations before and spend more time on interactions You did pretty well

## Attachment E

**SACOG would like to continue this conversation. What is the best way to keep stakeholders engaged?**

More meetings similar to this one, 1 vote

Monthly newsletters, 2 votes

Shorter check-ins and project updates at ongoing gatherings

## Rural-Urban Connections Strategy

### County-by-County Update & Input Meetings

Summary for: Health & Human Services Meeting in Yolo County, requested by former Yolo County Supervisor and SACOG Board Chair Helen Thomson

Meeting Date: April 9, 2013

Meeting Location: Yolo County Government Offices

Participants represented: Sutter Davis Hospital, Yolo Health, First 5 Yolo, Public Health & Agriculture Advocate, Davis Chamber of Commerce, Yolo County Housing, Davis Community Meals

Staff: David Shabazian, Monica Hernández, Libby O'Sullivan and Deborah Schrimmer

Total external participants: 8

Summary: The meeting started with an overview PowerPoint presentation on RUCS, where participants were encouraged to ask questions or make comments throughout the presentation. Of the meeting participants, only one had context for RUCS. In addition to the overview themes of bringing pieces of the food system back to the Sacramento regional and improving fresh food access within the RUCS suite of research, analysis, and modeling tools were covered.

Comments from participants were diverse and participants asked which consumers could the RUCS project influence to change. Participants asked for SACOG to consider leading a longevity study on healthy education/healthy eating over a lifetime. This was compared to popular smoking cessation studies. There was discussion on the healthy diet needs for mental health patients and that the mentally ill are often overlooked when addressing food access. Additional diet and public health comments included, pointing out that physicians are not typically trained in active transportation/active living and healthy eating strategies. There was concern that there was a lack of general understanding of the diets of residents of subsidized housing and what if any work could do address the need.

There was a lot of interest in the ability to address quality of life and social equity issues within RUCS, specifically noted is comments that RUCS should not be solely about the economics of farming and the food system. The conversation went deeper into opportunities to increase fresh food access to those in need particularly those with mental health or medical issues. The President of Sutter Davis Hospital offered her site as a pilot project location. Ideas to supplement the cold storage, aggregation and distribution gaps in our current regional system included:

- Accessing elderly nutrition programs with excess capacity,
- Accessing schools in off hours, with lease options, and
- Collect regional data on public facilities that have aggregation, distribution, and or cold storage potential that don't operate 24 hours-a-day.

Staff identified that we are currently funded to perform a business analysis using food banks as food hubs. This work is in partnership with Yolo and Sacramento food banks. Participants were pleased that food banks were engaged but were concerned that they could potentially create competition with other aggregators and/or distributors. Staff responded that a lack of aggregation and distribution is an identified gap for local consumption and this is just one piece of a potential solution.

## Attachment E

### SACOG next steps:

If opportunities for research grants in the interest of these stakeholders becomes available, advance information and opportunity to the group

When working on new data collection coordinate with Yolo Food Policy Council

### Stakeholder next steps:

Stakeholders will share new data as it is available regarding food consumption

Stakeholders will share information, meetings or webinars related to food access, and active living/transportation as they see fit

### Evaluation Results & Comments:

Evaluation forms were not included for this meeting.

### **Rural-Urban Connections Strategy**

Informational meeting with California Department of Public Health

Meeting Date: March 16, 2013

Meeting Location: California Department of Public Health

Staff: David Shabazian, Libby O'Sullivan, Deborah Schrimmer

Total external participants: 4

Summary: Some stakeholders were familiar with the Rural-Urban Connections Strategy (RUCS) project, but for others this information was completely new. The meeting started with an overview PowerPoint presentation on RUCS, where participants were encouraged to ask questions or make comments throughout the presentation.

The RUCS presentation gave an overview of SACOG's role as a regional metropolitan planning organization and its responsibilities to draft the region's Metropolitan Transportation Plan (MTP) and the Sustainable Communities Strategy (SCS). To help explain the MTP/SCS, the story of the region's regional visioning document, the Blueprint, was discussed. The California Department of Public Health (CDPH) stakeholders then had an extensive conversation about how Blueprint principles support the CDPH's agency goals to encourage more active modes of transportation.

Because the CDPH is promoting a healthy eating campaign, the meeting participants were interested in RUCS' mission to help farmers break into more local markets. The group had a robust discussion about SACOG's work on food deserts and food access, as well as the infrastructure needed to support a local food system. CDPH expressed interest in wanting to learn more about how to leverage mobile food banks as a larger part of the food system. The CDPH mentioned that a newly created office, the California Farm-to-Table, is a jointly funded office by the CDPH and USDA. It was suggested that SACOG staff follow up with this new office and look for opportunities to collaborate.

The group then discussed greenhouse gas emissions and how they relate to public health. CDPH shared their findings with the CalEnviroScan, which measures air pollutant levels. The Highway 99 corridor had really severe pollutant levels as well as a high incidence of asthma. It was suggested that the CalEnviroScan be included in the equity section of SACOG's next MTP/SCS, as the analysis highlights air quality disparities in disadvantaged communities.

At the end of the meeting, the Director of the Department of Public Health agreed to write a letter of support for SACOG's grant application to the California Department of Food and Agriculture to research county fairgrounds and support limited resource food entrepreneurs with a food hub and business incubator.

No evaluation forms were provided for this meeting.



## Government Relations & Public Affairs Committee

**Item #13-6-7  
Information**

June 3, 2013

### **Blueprint Implementation & Air Quality Presentation**

**Issue:** This item is a continuation of the History of Blueprint briefing from the May Committee meeting, with a focus on the interface between the Blueprint/MTP/SCS and the region's air quality requirements, and some specific information on how SACOG has been assisting members and stakeholders in Blueprint implementation activities.

**Recommendation:** None. This is a discussion item.

**Discussion:** Larry Greene from the Sacramento Metropolitan Air Quality Management District will lead the discussion on air quality standards, and Kacey Lizon from SACOG staff will present the Blueprint implementation details. We will also follow-up with requested information from Board members on two issues from the May Committee briefings: 1) how compact growth impacts localized air pollution, and 2) how SACOG's growth forecast relates to planned land capacities for commercial development.

Approved by:

Mike McKeever  
Chief Executive Officer

MM:ef

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