



## **FRESNO COUNTY ZOO AUTHORITY**

### **AGENDA**

**9:00 AM, Wednesday, January 25, 2017**

Fresno County Employees' Retirement Association

1111 H Street, Fresno, CA 93721

(559) 457-0681

1. Call to Order

2. Nominations and election of 2016 Chairman and Vice Chairman

3. Recognition of outgoing Board Member Ashley Swearengin

4. Public Comments

This time is made available to receive comments from the public on matters within the Board's jurisdiction that are not on the Agenda. Attention is called to the fact that the Board is prohibited from taking any action on matters that are not on the Agenda. Members of the public are limited to three minutes to speak during Public Comments as well as for each item on the agenda. In order to accurately record the minutes, members of the public are asked to speak only from the podium. Before beginning comments, please state for the record your name and affiliation, if any.

5. Consent Agenda

These matters are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public will be given the opportunity to remove any item from the Consent Calendar. Items removed from the Consent Calendar may be heard immediately following approval of the Consent Calendar.

a. Review and approve minutes of December 14, 2016

b. Review and approve payment of County of Fresno invoice for Professional and Specialized Services in the amount of \$19,750.06 for November and December 2016

c. Receive Treasurer's Reports for November, December, and Quarter Ending December 2016

6. Receive report from Fresno County Employee's Retirement Association Administrator Donald Kendig on the status of the Association's new building

7. Fresno Chaffee Zoo Director's report

8. Receive Fresno's Chaffee Zoo Corporation Chief Financial Officer's report for November and December 2016
9. Approve Fresno Chaffee Zoo fiscal year 2017 Measure Z Operating funds totaling \$4,522,000 for reimbursement of Animal and Veterinary salary and benefits, Animal Food, Utilities, and bank fees to wire reimbursement funds to the Zoo
10. Approve Fresno's Chaffee Zoo Corporation request for FY 2017 Measure Z Capital funds totaling \$670,031.45, including \$488,510.05 for a Storm Drain Pipeline Extension and \$181,521.40 for infrastructure work for the future Water Play Area
11. Receive staff reports
12. Approve next meeting date  
Adopted dates include:
  - Wednesday, February 22, 2017
  - Wednesday, March 29, 2017
  - Wednesday, April 26, 2017
13. Chair's comments
14. Board Member comments
15. Adjourn

All supporting documentation is available for public review in the office of the Fresno County Zoo Authority, 2220 Tulare Street, 6<sup>th</sup> Floor, Fresno, 93721, during regular business hours.

For further information, please contact Catherine Crosby, Zoo Authority Coordinator, at 600-4305, email [zooauthority@co.fresno.ca.us](mailto:zooauthority@co.fresno.ca.us), or visit [www.zooauthority.org](http://www.zooauthority.org). Requests for disability-related modification or accommodation needed in order to participate in the meeting must be made to the Zoo Authority Coordinator no later than 9:00 a.m. on the day prior to the meeting.



**FRESNO COUNTY ZOO AUTHORITY**

**ACTION SUMMARY MINUTES**

**9:00 AM, Wednesday, December 14, 2016**

Fresno County Employees' Retirement Association

1111 H Street, Fresno, CA 93721

(559) 457-0681

1. Call to Order

**CHAIRMAN MICHELLE ROMAN CALLED THE MEETING TO ORDER AT 9:02 AM. A QUORUM WAS PRESENT INCLUDING THE CHAIRMAN AND MEMBERS OLIVER BAINES, PETER HERZOG, GERALD LYLES, KENT STRATFORD, PAUL TOSTE AND RALPH WATERHOUSE.**

**BOARD COORDINATOR CATHY CROSBY POINTED OUT THAT THE ACTION FOR ITEM 10 SHOULD HAVE INCLUDED THE WORDS "AND APPROVE" ; AND REQUESTED ON BEHALF OF MEMBER STRATFORD THAT ITEMS 8 AND 9 BE MOVED TO AFTER ITEM 4, ALLOWING HIM TO VOTE ON THE ITEMS AND LEAVE THE MEETING EARLY IN ORDER TO GIVE A FINAL EXAM AT CSUF. THE CHANGES WERE MADE WITH THE CONSENSUS OF MEMBERS.**

0:02:27

2. Public Comments

This time is made available to receive comments from the public on matters within the Board's jurisdiction that are not on the Agenda. Attention is called to the fact that the Board is prohibited from taking any action on matters that are not on the Agenda. Members of the public are limited to three minutes to speak during Public Comments as well as for each item on the agenda. In order to accurately record the minutes, members of the public are asked to speak only from the podium. Before beginning comments, please state for the record your name and affiliation, if any.

**HELD; NONE OFFERED.**

0:02:49

3. Consent Agenda

These matters are routine in nature and are usually approved by a single vote. Prior to action by the Board, the public will be given the opportunity to remove any item from the Consent Calendar. Items removed from the Consent Calendar may be heard immediately following approval of the Consent Calendar.

**MEMBER LYLES ASKED TO PULL ITEM 3B FOR DISCUSSION. MEMBER LYLES MOVED FOR APPROVAL OF ITEMS 3A AND 3C. SECONDED BY MEMBER WATERHOUSE, THE MOTION PASSED UNANIMOUSLY AND WITHOUT COMMENT. TREASURER MEGAN MARKS CLARIFIED THE PROFESSIONAL SERVICES FIGURES ON PAGE 6 REPRESENT THE FUNDS**

**REMAINING IN THE BUDGET. MEMBER LYLES THEN MOVED FOR APPROVAL OF ITEM 3B. SECONDED BY MEMBER HERZOG, THE MOTION PASSED UNANIMOUSLY.**

- a. Review and approve minutes of October 26, 2016
- b. Review and approve payment of County of Fresno invoice for Professional and Specialized Services in the amount of \$27,581.18 for September and October 2016
- c. Receive Treasurer's Report for October 2016

0:05:12

4. Receive Fresno County Zoo Authority 2015-16 audited financial statements and independent auditor's report from Brown Armstrong Accountancy Corporation

**RECEIVED; MAI XIONG OF BROWN ARMSTRONG PRESENTED THE REPORT WHICH WAS AN UNMODIFIED "CLEAN" OPINION, WITH NO INTERNAL ISSUES FOUND.**

0:06:55 **AT THIS TIME ITEM 8 WAS HEARD.**

0:46:45

5. Receive Fresno Chaffee Zoo Director's report

**RECEIVED; DIRECTOR BARTON REPORTED ON AN OUTSTANDING YEAR, WITH PRAISES FROM AROUND THE COUNTY AND THE WORLD, AND EXPECTING TO HAVE ABOUT 950,000 GUESTS IN 2016. RECENT BIRTHS INCLUDE A LION AND KUDU, A GROWING EDUCATION PROGRAM, FUTURE REQUESTS FOR SEVERAL FUTURE EXHIBITS WARTHOG; AFRICAN RIVER (HIPPOS AND CROCODILES), ASIA (MALAYAN TIGER AND SLOTH BEAR); ANIMAL NUTRITION CENTER; ZOO LIGHTS GOING ON NOW AND HAS STRONG ATTENDANCE, IN RESPONSE TO MEMBER LYLES QUESTION, MR. BARTON REPORTED THAT HE WILL BRING THE LONG-TERM CONCEPTUAL MASTER PLAN, INCLUDING FUTURE ENTRANCE AND PARKING, AND MORE DETAILED PLANS ON SPECIFIC PROJECTS TO A MEETING IN THE NEAR FUTURE.**

**AT 9:50, MEMBER STRATFORD LEFT THE MEETING**

0:53:05

6. Receive report from Fresno Chaffee Zoo Education Curator and General Curator on in-house conservation projects

**RECEIVED; EDUCATION CURATOR AND CO-CHAIR OF THE CONSERVATION COMMITTEE SANDRA PITTS DISCUSSED THE PROJECTS INCLUDING LOCAL, STATE AND AFRICAN SPECIES, AND OTHERS AROUND THE WORLD THAT ARE SUPPORTED BY CONSERVATION FUNDS FROM THE ZOO'S OPERATIONS BUDGET, DONATIONS AND VISITOR PURCHASES. THE COMMITTEE CONSIDERS THE OUTCOMES OF THE PROJECTS WHEN DETERMINING THOSE TO SUPPORT. EDUCATIONAL SIGNS POSTED ALONG ZOO PATHWAYS HIGHLIGHT CONSERVATION. THE ASSOCIATION OF ZOOS AND AQUARIUMS RECOMMENDS THEIR MEMBERS CONTRIBUTE 3% OF THEIR BUDGETS TO CONSERVATION EFFORTS. CURRENTLY, FRESNO CHAFFEE ZOO CONTRIBUTES 1.5% AND THE ZOO'S SUCCESS IS HELPING THEIR GOAL OF INCREASING THAT TO 3%.**

1:03:14

7. Receive Fresno's Chaffee Zoo Corporation Chief Financial Officer's report for October 2016

**RECEIVED; BRIAN GOLDMAN REPORTED THAT BETWEEN OCTOBER 1, 2015 AND SEPTEMBER 30, 2016, THE ZOO HAD 1,020,000 VISITORS, AND EXPECT 950-960,000 FOR 2016,**



**MORE THAN TRIPLE THE ATTENDANCE OF 2006. OTHER IMPRESSIVE YEAR-TO-DATE FIGURES EXCEEDING BUDGETED FIGURES INCLUDED SELF-GENERATED REVENUE UP BY 48%, ATTENDANCE 28%; GIRAFFE FEEDING 113%; GROUP EVENT/FACILITY RENTAL 164%, AND CONCESSIONS 73%, WHILE EXPENSES ARE UNDER BUDGET. 1:06:55 PUBLIC COMMENT: ALBIE SANCHEZ, A RESIDENT OF DELNO AVE. IN THE ROEDING PARK NEIGHBORHOOD ASKED ABOUT PUBLIC OUTREACH AND PRIVATE EVENTS. DIRECTOR BARTON MENTIONED THE NUMEROUS SPECIAL EVENTS HELD, INCLUDING WEDDINGS, PROMS, CORPORATE EVENTS, PICNICS AND EVEN SMALL LUNCHESES. ALISHA ANDERSON, CHIEF MARKETING AND DEVELOPMENT OFFICER SAID THIS YEAR TO DATE, THERE HAD BEEN 62 PRIVATE EVENTS AND 157 BIRTHDAY PARTIES, IN ADDITION TO FUND-RAISING EVENTS. IN RESPONSE TO THE CHAIRMAN'S QUESTION REGARDING THE DROP IN REVENUE AND ATTENDANCE AT STINGRAY BAY, MR. GOLDMAN SUGGESTED THAT THE NEWNESS OF AFRICAN ADVENTURE WAS DIVERTING ATTENTION AND DOLLARS.**

**1:10:33 AT THIS TIME AGENDA ITEM 10 WAS HEARD.**

**0:07:26**

8. Receive report on African Design & African Adventure Projects total budgeted funds vs. total actual payments to the Zoo Corporation

**RECEIVED; TREASURER MEGAN MARKS PRESENTED THE REPORT AND CONFIRMED THAT ONLY WHAT HAD BEEN BUDGETED HAD BEEN SPENT BY THE ZOO CORP. MEMBER HERZOG MENTIONED THAT THE PAYMENTS WERE NOT NECESSARILY WHAT THE PROJECT ACTUALLY COST. ZOO DIRECTOR BARTON EXPLAINED THAT CONTINGENCY FUNDS ARE USED WHEN UNEXPECTED PROBLEMS OCCUR OR UNPLANNED IMPROVEMENTS BECOME POSSIBLE. MENTIONING THE EXAMPLE OF THE ADDED WINDOW IN THE CHEETAH EXHIBIT, MR. BARTON STATED THAT THE ASSUMPTION HAD BEEN THAT MEASURE Z FUNDS HAD BEEN LIMITED TO THE ORIGINAL REQUESTED AMOUNT AND WERE NEVER EXCEEDED, BUT THEY WOULD CONSIDER REQUESTING ADDITIONAL FUNDS IF NEEDED ON FUTURE PROJECTS. MR. BARTON MENTIONED THAT MEASURE Z FUNDED 99% OF THE PROJECT AND SOME DONATIONS WERE RECEIVED AND USED FOR SCULPTURES OR FUTURE MAINTENANCE. CHIEF FINANCIAL OFFICER BRIAN GOLDMAN ADDED THAT ABOUT \$1.5M WAS SPENT ON SEA LION COVE IN ADDITION TO MEASURE Z FUNDS. AFTER MEMBER LYLES SUMMARIZED THE REPORT AND MEMBER COMMENTS, DISCUSSION WAS CONCLUDED.**

**0:18:48**

9. Receive Certification of Completion for the African Adventure construction project from the Fresno Chaffee Zoo Corporation, and approve release of \$2,164,870 retention funds held in escrow.

**RECEIVED; MS CROSBY INTRODUCED THE ITEM. REFERRING TO THE PORTICO LETTER (ATTACHMENT A.2), MEMBER TOSTE ASKED IF ALL ISSUES HAD BEEN SETTLED WITH HARRIS CONSTRUCTION. MR. BARTON STATED THAT THE REFERENCE WAS TO WARRANTY ISSUES.**

**0:23:21 THERE BEING NO FURTHER DISCUSSION, THE CHAIRMAN CALLED FOR A VOTE. A MOTION TO APPROVE THE RELEASE OF RETENTION WAS MADE BY MEMBER LYLES. SECONDED BY MEMBER WATERHOUSE, THE VOTE WAS UNANIMOUS. DISCUSSION CONTINUED REGARDING THE RELEASE OF RETENTION, THE AGREEMENT REACHED BETWEEN HARRIS CONSTRUCTION AND THE ZOO CORP, AND DOCUMENTATION THAT SUBCONTRACTORS HAD BEEN PAID. ZOO AUTHORITY COUNSEL JANE SMITH, TREASURER MARKS AND MR. GOLDMAN CLARIFIED THAT THE RETENTION FUNDS WERE PAID OUT AS**

**CLAIMS WERE SUBMITTED, HELD IN AN ACCOUNT BY THE ZOO CORP, AND WILL BE RELEASED BY THE ZOO CORP TO HARRIS CONSTRUCTION FOR PAYMENT TO HARRIS SUB-CONTRACTORS. IN RESPONSE TO MEMBER LYLES QUESTION, MR. GOLDMAN STATED HE WOULD REQUEST THAT THEIR PROJECT MANAGER OBTAIN A DOCUMENT FROM HARRIS STATING THAT THE SUBCONTRACTORS HAD BEEN PAID. DISCUSSION CONTINUED AND MEMBER TOSTE STATED HE HAD, IN FACT, ABSTAINED FROM VOTING.**

**0:45:00 AT COUNSEL JANE SMITH'S SUGGESTION, THE CHAIRMAN CALLED FOR A ROLL CALL VOTE TO CLARIFY HOW MEMBERS HAD VOTED EARLIER. ROLL CALL WAS AS FOLLOWS: HERZOG, YEA; LYLES, YEA; ROMAN, YEA; STRATFORD, YEA; BAINES, YEA; TOSTE, ABSTAIN; WATERHOUSE, YEA; MOTION PASSED.**

**AT THIS TIME AGENDA ITEM 5 WAS HEARD.**

**1:10:32**

**10. Receive final draft of Fiscal Year 2015-16 annual report and provide direction to staff  
MS CROSBY PRESENTED THE FINAL DRAFT, ASKED FOR COMMENTS OR CORRECTIONS, AND PROVIDED AN ESTIMATE OF THE COST AND DATE FOR ITS RECEIPT BY THE BOARD OF SUPERVISORS. MEMBER WATERHOUSE MOVED FOR APPROVAL. SECONDED BY MEMBER HERZOG, THE MOTION WAS UNANIMOUS.**

**1:13:40**

**11. Receive staff reports  
RECEIVED; MS CROSBY REPORTED ON THE PROGRESS OF THE CONSTRUCTION OF THE NEW RETIREMENT OFFICES, MENTIONING THAT A LETTER TO THE RETIREMENT ADMINISTRATOR HAD BEEN PREPARED FOR THE CHAIRMAN'S SIGNATURE ASKING THAT THE ZOO AUTHORITY BOARD MIGHT CONTINUE TO MEET AT THEIR NEW LOCATION. THE BOARD OF SUPERVISORS CHAMBERS HAS ALSO BEEN RESERVED, IF NEEDED.**

**MS. CROSBY ALSO RECOGNIZED OUTGOING TREASURER JEFFREY BLANKS FOR HIS YEARS OF SERVICE WITH A CERTIFICATE THAT WAS ACCEPTED ON HIS BEHALF BY TREASURER MEGAN MARKS.**

**MS. MARKS INTRODUCED NEW ACCOUNTANT APAO XIONG.**

**1:17:44**

**12. Board Meetings**

- a. Adopt 2017 meeting calendar**
- b. Approve first meeting date of 2017. Dates include:**

**Wednesday, January 25, 2017**

**Wednesday, February 22, 2017**

**AFTER A BRIEF REVIEW AND DISCUSSION, A MOTION WAS MADE BY THE MEMBER LYLES TO ADOPT THE CALENDAR. SECONDED BY MEMBER TOSTE, THE VOTE WAS UNANIMOUS.**

**1:19 55**

**13. Chair's comments**

**CHAIRMAN ROMAN THANKED OUTGOING MEMBER MAYOR ASHLEY SWEARENGIN FOR HER EIGHT YEARS OF SERVICE TO THE BOARD. MS. CROSBY MENTIONED A RECOGNITION PLAQUE COULD BE PREPARED FOR PRESENTATION AT THE NEXT MEETING. MEMBER BAINES POINTED OUT THAT MEMBER SWEARENGIN WOULD BE OUT OF OFFICE BY THAT TIME, AND OFFERED TO PRESENT IT TO HER AT HER LAST CITY COUNCIL MEETING ON**

**JANUARY 5TH. THE CHAIRMAN AGREED AND ALSO OFFERED TO ATTEND. IN RESPONSE TO MEMBER LYLES' QUESTION, MEMBER BAINES EXPRESSED INTEREST IN CONTINUING AS ALTERNATE UNDER THE NEW MAYOR.**

14. Board Member comments  
**NONE OFFERED.**

1:22:00

15. Adjourn  
**THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, THE CHAIRMAN ADJOURNED THE MEETING AT 10:24 AM.**

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Invoice for Professional Services in Support of the Zoo Authority  
Billing Hours and Expenses for November and December 2016

Invoice Number  
1112-ZOO-0125017

**January 25, 2017**

TO: Zoo Authority Board  
c/o County of Fresno  
2220 Tulare St, 6th Floor MS 214  
Fresno, CA 93721

<b>Department / Title</b>	<b>Hours</b>	<b>Rates</b>	<b>Cost</b>	<b>Fiscal Year 16-17</b>
<i>Financial Reporting and Audits</i>				
<i>Division Manager</i>	2.25	\$91.80	\$206.55	
<i>Senior Accountant</i>	9.25	\$80.92	\$748.51	
<i>Accountant II</i>	19.00	\$74.80	\$1,421.20	
<i>Public Works and Planning</i>				
<i>Analyst III, Capital Projects</i>	155.60	\$100.68	\$15,665.80	
<i>County Counsel</i>				
<i>Deputy County Counsel</i>	14.00	\$122.00	\$1,708.00	
<b>Professional Services Total</b>	<b>200.10</b>		<b>\$19,750.06</b>	<b>\$58,591.50</b>

*No office expenses for this period*

<b>Office Expense Total</b>	<b>\$0.00</b>	<b>\$8,847.10</b>
	<b>\$19,750.06</b>	<b>\$67,438.60</b>
	<b>Invoice Total</b>	<b>FY 16-17 Total</b>



**Fresno County Zoo Authority  
Treasurer's Report  
Unaudited Cash Basis  
For the Month Ended November 30, 2016**

Summary of Measure Z Proceeds			
Tax Proceeds Received:			
-	Measure Z - Sales Tax Proceeds		\$ 1,255,200.00
	Total Proceeds Received:		\$ 1,255,200.00
Tax Proceeds Allocated:			
-	Allocation to Zoo Authority Fund (2%)		25,104.00
-	Allocation to Trust Fund for Operations and Capital Projects (98%)		1,230,096.00
	Total Proceed Allocations		\$ 1,255,200.00
Cash Balance by Fund			
<b>Zoo Authority Fund</b>			
	>> Administrative Fund	2%	
	Beginning Cash Balance		\$ 1,274,010.57
Receipts:	- Measure Z Sales Tax Proceeds		25,104.00
Disbursements:	- PeopleSoft Financial Charges		(70.19)
	Net Increase/(Decrease) to Cash		25,033.81
	Ending Cash Balance - Zoo Authority Administrative Fund		\$ 1,299,044.38
<b>Trust Fund for FCZC Operations and Capital Projects</b>			
		98%	
	Beginning Cash Balance		\$ 25,730,006.95
	>>> Operations Fund		
	Beginning Cash Balance		5,914,198.64
Receipts:	- Measure Z Sales Tax Proceeds		410,032.00
	- FCZC Operations Claim # 2016-10		(384,877.59)
	- Wire Fees		(10.00)
	Net Increase/(Decrease) to Cash		25,144.41
	Ending Cash Balance - Available for Operations		\$ 5,939,343.05
	>>> Capital Facilities Project Fund		
	Beginning Cash Balance		\$ 19,815,808.31
Receipts:	- Measure Z Sales Tax Proceeds		820,064.00
	Net Increase/(Decrease) to Cash		820,064.00
	Ending Cash Balance - Available for Capital Projects		20,635,872.31
	Ending Balance Available for Operations and Capital Projects		\$ 26,575,215.36
	Total Interest Received During the Month		-

By Staff \_\_\_\_\_

Date \_\_\_\_\_

Accepted \_\_\_\_\_

Date \_\_\_\_\_

\* Interest receipts are recorded in the month received rather than in the month earned and were calculated on an annual percentage rate of 1.421 as of September 30, 2016.



## Fresno County Zoo Authority

### SUMMARY OF MEASURE Z SALES TAX PROCEEDS

	PRIOR FISCAL YEARS			CURRENT FISCAL YEAR			
	2013-2014	2014-2015	2015-2016	2016-2017			
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	ACTUAL	BUDGET TO ACTUAL	
	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	VARIANCE	
July	\$ 903,500	\$ 864,900	\$ 900,800	\$ 909,808	\$ 952,000	\$ 42,192	4.64%
August	1,106,000	1,149,600	1,201,100	1,213,111	1,269,300	56,189	4.63%
September	1,097,605	1,199,226	1,408,037	1,422,117	1,181,071	(241,046)	-16.95%
October	857,400	879,100	911,400	920,514	941,400	20,886	2.27%
November	1,143,200	1,172,100	1,215,200	1,251,656	1,255,200	3,544	0.28%
December	1,076,977	1,147,219	1,306,493	1,332,623			
January	836,700	884,100	915,800	934,116			
February	1,101,200	1,178,800	1,221,000	1,245,420			
March	1,113,584	1,087,121	1,226,517	1,214,252			
April	788,000	804,100	819,500	811,305			
May	1,050,600	1,072,100	1,092,700	1,081,773			
June	1,139,360	1,231,366	1,374,748	1,236,000			
Total	\$ 12,214,126	\$ 12,669,732	\$ 13,593,295	\$ 13,572,695	\$ 5,598,971	\$ (118,235)	-5.57%

TOTAL MEASURE Z PROCEEDS FROM INCEPTION     \$    131,258,660



**Fresno County Zoo Authority**  
**Treasurer's Report**  
**Unaudited Cash Basis**  
**For the Month Ended November 30, 2016**

Summary of Interest Receipts					
Summary of Quarter Two Interest Receipts					
Fund	Subclass	Description	1st Alloc. Oct	2nd Alloc Dec	Interest Received
4845	10000	Zoo Authority	372.77	4,160.09	\$ 4,532.86
4850	10000	FCZC - Operations	1,821.75	20,330.44	\$ 22,152.19
4850	42700	FCZC - CP	5,250.26	58,592.08	\$ 63,842.34
<b>Total</b>			<b>\$ 7,444.78</b>	<b>\$ 83,082.61</b>	<b>\$ 90,527.39</b>
<b>October To December</b>					



**Fresno County Zoo Authority  
Capital Projects Fund Cash Flow  
For the Month Ended November 30, 2016**

Cash Balance as of 12/1/2016 \$ 20,635,872

**DEDUCTIONS (earmarked projects, paid through claim 2016-01C):**

2017 Warthog Exhibit-October 2016	85,250
2017 Dino Dig Expansion-June 2016	195,000
2016 Animal Acquisition-September 2015	35,462
2016 Tiger Exhibit Expansion-December 2014	31,120
2015 Utility Design-March 2015	53,416
2015 Animal Acquisition-February 2015	23,000

Total Deductions:	<u>\$ (423,248)</u>
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TOTAL:	<u><u>\$ 20,212,624</u></u>
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**Fresno County Zoo Authority  
Operations Fund Cash Flow  
For the Month Ended November 30, 2016**

**Cash Balance as of 12/1/2016** **\$ 5,939,343**

**DEDUCTIONS (Remaining budgets, paid through claim 2016-10):**

2016 Animal	580,121
2016 Veterinary	35,510
2016 Utilities	42,788
2016 Animal Feed	36,095
2016 Interest/Bank Charges	210

**Total Deductions:** \$ (694,724)

**TOTAL:** \$ 5,244,619



**Fresno County Zoo Authority  
Treasurer's Report  
Unaudited Cash Basis  
For the Quarter Ended December 31, 2016**

Summary of Measure Z Proceeds			
Tax Proceeds Received:			
-	Measure Z - Sales Tax Proceeds		\$ 3,384,904.11
	Total Proceeds Received:		\$ 3,384,904.11
Tax Proceeds Allocated:			
-	Allocation to Zoo Authority Fund (2%)		67,698.08
-	Allocation to Trust Fund for Operations and Capital Projects (98%)		3,317,206.03
	Total Proceed Allocations		\$ 3,384,904.11
Cash Balance by Fund			
<b>Zoo Authority Fund</b>			
>> Administrative Fund		2%	
	Beginning Cash Balance		\$ 1,302,558.50
Receipts:	- Measure Z Sales Tax Proceeds		67,698.08
	- Interest Received		4,532.86
Disbursements:	- PeopleSoft Financial Charges		(172.97)
	- Zoo Authority Claim #0105-ZOO-062916		(47,688.54)
	Net Increase/(Decrease) to Cash		24,369.43
	<b>Ending Cash Balance - Zoo Authority Administrative Fund</b>		<b>\$ 1,326,927.93</b>
<b>Trust Fund for FCZC Operations and Capital Projects</b>			
		98%	
	Beginning Cash Balance		\$ 25,608,788.58
>>> Operations Fund			
	Beginning Cash Balance		6,413,278.53
Receipts:	- Measure Z Sales Tax Proceeds		1,105,735.34
	- Interest Received		22,152.19
Disbursements:	- FCZC Operations Claim # 2016-8		(340,775.86)
	- FCZC Operations Claim # 2016-09		(467,629.78)
	- FCZC Operations Claim # 2016-10		(384,877.59)
	- Wire Fees		(30.00)
	Net Increase/(Decrease) to Cash		(65,425.70)
	<b>Ending Cash Balance - Available for Operations</b>		<b>\$ 6,347,852.83</b>
>>> Capital Facilities Project Fund			
	Beginning Cash Balance		\$ 19,195,510.05
Receipts:	- Measure Z Sales Tax Proceeds		2,211,470.69
	- Interest Received		63,842.34
	Net Increase/(Decrease) to Cash		2,275,313.03
	<b>Ending Cash Balance - Available for Capital Projects</b>		<b>21,470,823.08</b>
	<b>Ending Balance Available for Operations and Capital Projects</b>		<b>\$ 27,818,675.91</b>
	<b>Total Interest Received During the Quarter</b>		<b>90,527.39</b>

By Staff \_\_\_\_\_

Date \_\_\_\_\_

Accepted \_\_\_\_\_

Date \_\_\_\_\_

\* Interest receipts are recorded in the month received rather than in the month earned and were calculated on an annual percentage rate of 1.421 as of September 30, 2016.



**Fresno County Zoo Authority  
Treasurer's Report  
Unaudited Cash Basis  
For the Month Ended December 30, 2016**

Summary of Measure Z Proceeds			
Tax Proceeds Received:			
-	Measure Z - Sales Tax Proceeds		\$ 1,188,304.11
	Total Proceeds Received:		\$ 1,188,304.11
Tax Proceeds Allocated:			
-	Allocation to Zoo Authority Fund (2%)		23,766.08
-	Allocation to Trust Fund for Operations and Capital Projects (98%)		1,164,538.03
	Total Proceed Allocations		\$ 1,188,304.11
Cash Balance by Fund			
<b>Zoo Authority Fund</b>			
	>> Administrative Fund	2%	
	Beginning Cash Balance		\$ 1,299,044.38
Receipts:	- Measure Z Sales Tax Proceeds		23,766.08
	- Interest Received		4,160.09
Disbursements:	- PeopleSoft Financial Charges		(42.62)
	Net Increase/(Decrease) to Cash		27,883.55
	Ending Cash Balance - Zoo Authority Administrative Fund		\$ 1,326,927.93
<b>Trust Fund for FCZC Operations and Capital Projects</b>			
	98%		
	Beginning Cash Balance		\$ 26,575,215.36
	>>> Operations Fund		
	Beginning Cash Balance		5,939,343.05
Receipts:	- Measure Z Sales Tax Proceeds		388,179.34
	- Interest Received		20,330.44
	Net Increase/(Decrease) to Cash		408,509.78
	Ending Cash Balance - Available for Operations		\$ 6,347,852.83
	>>> Capital Facilities Project Fund		
	Beginning Cash Balance		\$ 20,635,872.31
Receipts:	- Measure Z Sales Tax Proceeds		776,358.69
	- Interest Received		58,592.08
	Net Increase/(Decrease) to Cash		834,950.77
	Ending Cash Balance - Available for Capital Projects		21,470,823.08
	Ending Balance Available for Operations and Capital Projects		\$ 27,818,675.91
	Total Interest Received During the Month		83,082.61

By Staff \_\_\_\_\_

Date \_\_\_\_\_

Accepted \_\_\_\_\_

Date \_\_\_\_\_

\* Interest receipts are recorded in the month received rather than in the month earned and were calculated on an annual percentage rate of 1.421 as of September 30, 2016.



## Fresno County Zoo Authority

### SUMMARY OF MEASURE Z SALES TAX PROCEEDS

	PRIOR FISCAL YEARS			CURRENT FISCAL YEAR			
	2013-2014	2014-2015	2015-2016	2016-2017			
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	ACTUAL	BUDGET TO ACTUAL	
	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	TAX RECEIPTS	VARIANCE	
July	\$ 903,500	\$ 864,900	\$ 900,800	\$ 909,808	\$ 952,000	\$ 42,192	4.64%
August	1,106,000	1,149,600	1,201,100	1,213,111	1,269,300	56,189	4.63%
September	1,097,605	1,199,226	1,408,037	1,422,117	1,181,071	(241,046)	-16.95%
October	857,400	879,100	911,400	920,514	941,400	20,886	2.27%
November	1,143,200	1,172,100	1,215,200	1,251,656	1,255,200	3,544	0.28%
December	1,076,977	1,147,219	1,306,493	1,332,623	1,188,304	(144,319)	-10.83%
January	836,700	884,100	915,800	934,116			
February	1,101,200	1,178,800	1,221,000	1,245,420			
March	1,113,584	1,087,121	1,226,517	1,214,252			
April	788,000	804,100	819,500	811,305			
May	1,050,600	1,072,100	1,092,700	1,081,773			
June	1,139,360	1,231,366	1,374,748	1,236,000			
Total	\$ 12,214,126	\$ 12,669,732	\$ 13,593,295	\$ 13,572,695	\$ 6,787,275	\$ (262,554)	-12.37%

TOTAL MEASURE Z PROCEEDS FROM INCEPTION      \$ 132,446,964



**Fresno County Zoo Authority**  
**Treasurer's Report**  
**Unaudited Cash Basis**  
**For the Month Ended December 31, 2016**

Summary of Interest Receipts					
Summary of Quarter Two Interest Receipts					
Fund	Subclass	Description	1st Alloc. Oct	2nd Alloc Dec	Interest Received
4845	10000	Zoo Authority	372.77	4,160.09	\$ 4,532.86
4850	10000	FCZC - Operations	1,821.75	20,330.44	\$ 22,152.19
4850	42700	FCZC - CP	5,250.26	58,592.08	\$ 63,842.34
<b>Total</b>			<b>\$ 7,444.78</b>	<b>\$ 83,082.61</b>	<b>\$ 90,527.39</b>
<b>October To December</b>					



**Fresno County Zoo Authority  
Capital Projects Fund Cash Flow  
For the Month Ended December 31, 2016**

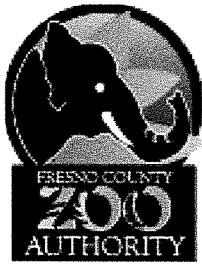
**Cash Balance as of 1/2/2017** **\$ 21,470,823**

**DEDUCTIONS (earmarked projects, paid through claim 2016-01C):**

2017 Warthog Exhibit-October 2016	85,250
2017 Dino Dig Expansion-June 2016	195,000
2016 Animal Acquisition-September 2015	35,462
2016 Tiger Exhibit Expansion-December 2014	31,120
2015 Utility Design-March 2015	53,416
2015 Animal Acquisition-February 2015	23,000

<b>Total Deductions:</b>	<u><b>\$ (423,248)</b></u>
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<b>TOTAL:</b>	<u><u><b>\$ 21,047,575</b></u></u>
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**Fresno County Zoo Authority  
Operations Fund Cash Flow  
For the Month Ended December 31, 2016**

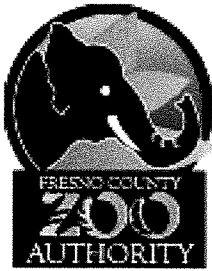
**Cash Balance as of 1/2/2017** **\$ 6,347,853**

**DEDUCTIONS (Remaining budgets, paid through claim 2016-10):**

2016 Animal	580,121
2016 Veterinary	35,510
2016 Utilities	42,788
2016 Animal Feed	36,095
2016 Interest/Bank Charges	210

**Total Deductions:** **\$ (694,724)**

**TOTAL:** **\$ 5,653,129**



**Fresno County Zoo Authority  
Administration Fund Cash Flow  
For the Month Ended December 31, 2016**

**Cash Balance as of 1/2/2017** **\$ 1,326,928**

**DEDUCTIONS (Remaining budgets, paid through claim 0608-ZOO-092816):**

2017 Telephone Charges	250
2017 Memberships	500
2017 Office Expense	2,670
2017 Postage	1,000
2017 PeopleSoft Financials Charges	462
2017 Professional Services	179,483
2017 Data Processing Services	1,500
2017 Publications & Legal Notices	500
2017 Trans, Travel & Education	2,500
2017 Appropriation for Contingencies	91,421
2016 Telephone Charges	500
2016 Memberships	1,000
2016 Postage	1,288
2016 PeopleSoft Financials Charges	119
2016 Professional Services	17,889
2016 Data Processing Services	3,000
2016 Publications & Legal Notices	1,000
2016 Trans, Travel & Education	5,000

**Total Deductions:** \$ (310,083)

**TOTAL:** \$ 1,016,845





Donald C. Kendig, CPA  
Retirement Administrator

**For Agenda Item 6**  
**FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**BOARD OF RETIREMENT**

Dr. Rauden Coburn, III, Chair  
Steven J. Jolly, Vice Chair  
Laura P. Basua  
Gregory Baxter  
Alan Cade, Jr.  
Robert Dowell  
Oscar Garcia, CPA  
Eulalio Gomez  
Nathan Magsig, MBA MS  
Mary Ann Rogozinski, Alternate

**DATE:** January 18, 2017

**TO:** Board of Retirement

**FROM:** Donald C. Kendig, CPA  
Retirement Administrator

**SUBJECT:** Update and Consideration of the new FCERA Offices at Palm Bluffs – RECEIVE AND FILE; APPROPRIATE ACTION

**Recommended Action(s)**

1. Receive Office Construction Update from staff.
2. Provide direction for any changes to interiors, furniture, and finishes.

**Fiscal and Financial Impacts**

Fiscal and financial impacts will depend on the Board direction received.

**Discussion**

The cold dark shells of the buildings are over 75% complete and staff will be presenting the blueprints, pictures, and diagrams today of the progress to date. Estimated completion of the cold shell is scheduled for as early as January 25, 2017 for buildings E and F and February 15, 2017 for D. Interior work is optimistically scheduled for completion by April 28, 2017; however, June 30, 2017 is more likely. The anticipated move is targeted for May 1, 2017 to facilitate a High Speed Rail Authority transfer of the existing FCERA office building, but with the glorious rain, that is getting more and more impossible to achieve. July 3, 2017 is more likely.

*Accounting and Reporting:* Staff met with Reed Smith, Fiduciary Counsel, and Brown Armstrong, our Outside Auditor, for the new offices under construction on the corner of Palm and Nees on Friday, January 13, 2017. Staff originally envisioned one building would be treated as an investment, and the other two as capital assets, but was advised that treating the three properties as an investment, and leasing two of the offices back, would best protect the fund from any liability related to the properties, up to the amount of the investment. It is recommended that an LLC non-profit holding company be formed on February 1, 2017 and an assignment of escrow be executed for the new holding company to obtain the properties outright. Staff will work with Colliers International to negotiate an arms-length lease and obtain an opinion from Verus on the quality of the real estate investment. All this will help in the establishment of the independent nature of the investment.

## Office Construction Update

### Page 2

Staff will provide the investment reporting and the LLC will have separate financial statements and audits.

*Construction Project Management Services:* On August 3, 2016 the Board of Retirement approved a proposed MOU for assistance from the Department of Public Works and Planning (Department) to provide project management services, and on November 1, 2016, the Board of Supervisors approved the MOU. The MOU was sought because of the Department's extensive project management experience, a level of expertise FCERA employees do not currently possess. The architect will be bidding out the project in the next few weeks and will likely consider modular walls for the office spaces. Photos will be provided along with the ability to answer questions.

*Interiors Furnishings:* On October 11, 2016, the Managers and Supervisors met with Core Business Interiors (CBI) (<http://www.corebusinessinteriors.com/>) to review potential furniture options. CBI has a negotiated County Contract and we will be getting the County pricing. Furniture options will be discussed with you at today's meeting. A cost proposal will be provided for review and approval by the February 15, 2017 (possibly February 1, 2017).

### Attachment(s)

Presentation slides for review and discussion.

### Background

On June 21, 2012, FCERA received a letter from the California High Speed Rail Authority (HSRA) introducing the project and the potential need to acquire FCERA's 1111 H Street property. Discussions occurred over many meetings and a proposal, along with an appraisal, was received on October 14, 2013 that was flatly refused. FCERA sought its own appraisal and was satisfied with the result; however, the HSRA pulled out of negotiations indicating that the property was not an immediate concern.

In early 2015, staff reached out to Diana Gomez of the HSRA after receiving reports of activity involving our neighboring properties. It was communicated that our building may not be needed right away; however, there is a possibility that we can consummate an agreement sooner, rather than later, providing flexibility in our office relocation efforts and providing the HSRA with an office it can use during its project.

On March 23, 2015 staff met with Deryl L. Neal to receive an offer from the HSRA, resuming negotiations. Mr. Neal presented an updated offer, with a \$10,000 increase over the original offer made on October 14, 2013. Staff countered with our separately issued appraisal and was waiting hear back from Mr. Neal on whether or not the counter is tentatively accepted. Staff initiated contact with Laura Crane, the relocation coordinator made available to us by the HSRA, Fresno City Development and Resource Management Division, and the Fresno County Economic Development Corporation. I have been in ongoing contact with Deryl, Laura and the team to provide brief notes of the status of our search.

## Office Construction Update

### Page 3

In the meantime, on June 3 2015, the Board selected Colliers International to serve as FCERA's broker and to begin a replacement property search, and on October 21, 2015, narrowed properties down to a potential lease or purchase towards the northern Fresno area. The Broker presented the potential office locations to the Board during the Board educational offsite on October 21, 2015. After the offsite, FCERA's Broker refined its list of potential locations available for consideration, narrowing the search to 5 potential properties.

The list contained 5 options, summarized here for convenience:

- 3795 N. Palm Avenue lease for \$1.55nnn;
- 7700 N. Palm Avenue purchase of planned two-story building for \$2.05nnn;
- N.E. Corner of Wilson and Alluvial lease with an option to purchase at \$1.65nnn;
- 7375 N. Fresno Street 16,000sf building which would not meet long term space needs; and
- S.E. Corner of Palm and Nees purchase of three buildings totaling approximately 27,848sf.

On December 2, 2015 staff provided an update on the HSRA appraisal process and the possibility of a third appraisal based on replacement value provided that we could supply more concrete costs and staff asked that it be authorized to contract with an architect for space planning and analysis purposes and possibly build to suit designs, such that firmer cost estimates could be provided for a third appraisal. At that time the Board moved directing staff to identify architectural firms to provide architectural plans for both a new facility and expansion of the current office, and to come back with a recommended firm and proposal.

On January 20, 2016, after carefully considering its options, the Board directed FCERA staff to begin negotiations regarding the purchase of the property near the South East corner of Palm and Nees, otherwise known as the Boardwalk at Palm Bluffs property and formed an Ad Hoc High Speed Rail and Office Relocation Committee (HSRORC), comprised of 4 Board members, Basua, Baxter, Coburn, and Gomez to work with Staff, Board Counsel, and the Broker.

Further, on January 20, 2016, staff provided two architects for consideration: Teter and RDT Architects. The Architect, Robert (Rob) Tomasevich of RDT Architects, which built our current building, was (and still is) on the County's preapproved vendor list and at a very attractive negotiated rate. The Board approved RDT Architects as the architect firm to provide space planning services.

On February 17, 2016, Staff provided an update on HSRORC activities the Board provided direction to negotiate with the sellers of the Palm Bluff properties and to provide updated analytics on the return characteristics of the 3rd building that will be leased until needed by FCERA.

On March 2, 2016 the HSRORC met to discuss the latest Letter of Intent and accepted the Seller's counter price of \$222.50 per square foot (\$6,196,180 total) and updated the date that the Board had to decide on a definitive agreement to April 21, 2016.

On March 16, 2016, staff provided the prevailing wage costs of \$807,732 and an analysis of the full project costs. Factoring in the prevailing wage costs, cash on cash return for the leased space would

## Office Construction Update

### Page 4

garner 6.97%, just shy of the Board's assumed rate of return of 7%, at the outset with a CPI escalator over time.

On April 20, 2016 the Board received an update on the Palm Bluffs Property and the buildings for purchase. The Board subsequently approved the purchase, subject to a due diligence review period to allow staff and Board Counsel to review the documents and the posting of CEQA notice.

On July 20, 2016, staff and counsel reported to the board that the due diligence review found nothing to report to prevent the continuation of the escrow and the provision of the second deposit of \$100,000. At this point the developer will proceed with constructing the cold shell and FCERA needs to begin the design-bid-build process for the finishing touches needed to complete the shell.

On September 21, 2016 the Board authorized a change order not to exceed \$85,000 for door modifications and approved the Architectural Services Contract for the design-bid-build project in an amount not to exceed \$141,000. The resulting change order for the doors was \$84,828. The Retirement Administrator approved an additional change order for \$9,545 for their installation by the construction contractor.

Staff funded \$200,000 to escrow on October 5, 2016 for completion of the first 25% of the project, \$200,000 on November 3, 2016 for completion of the second 25% of the project, and \$200,000 on January 4, 2017 for completion of the 3rd 25% of the project. This progress funding is to cover the prevailing wage costs.

On December 21, 2016 the Board approved an initial budget for the project. This translates into the following budget schedule:

How budgeted?	Administrative Costs	Investment Costs	LiAcct	Program	Program Title
Buildings and Improvements	\$2,148,073		8150	(New)	Palm Bluffs Improvements
Furnishings	\$200,000		8300	(New)	Furnishings
Equipment	\$86,800		8300	(New)	Palm Bluffs Improvements
Computer Equipment	\$20,000		8300	91183	Computer Equipment
Land		\$3,000,000	8400	(New)	Palm Bluffs Land
Buildings and Improvements		\$3,850,642	8400	(New)	Palm Bluffs Improvements
Leasing, Legal, and Property Management		\$152,500	8400	(New)	PB Leasing, Legal, Mngmt
	\$2,454,873	\$7,003,142			



## FY16 November Financial Report

## Discussion of Financial Results As of November 30, 2016

- **Key Facts & Figures<sup>1</sup>:**

- Self-generated revenue was \$9,070,799<sup>1</sup> compared to budgeted revenue of \$7,778,442.
- Surplus of \$2,499,501<sup>1</sup> compare to budgeted surplus of \$565,038.
- Total personnel expenses are 7.1% under budget and total expenses are 2.7% under budget.
- November 2016 attendance was 54,973 compared to budgeted attendance of 60,000, an decrease of 9.1%. November 2016 attendance was -36% behind of November 2015 attendance of 86,562.
- YTD attendance of 908,412 compared to YTD budgeted attendance of 795,000 an increase of 14%. November 2016 YTD attendance was 20% over November 2015 YTD attendance of 754,448.

<sup>1</sup> Excludes investment income (unrealized gain/loss on investments), depreciation, and \$1,500,000 from the City of Fresno.

## Discussion of Financial Results

	<u>11/30/2016</u>	<u>10/31/2016</u>	<b>2015 Audited</b>
<b>Liquid Assets:</b>			
Cash	\$719,175	\$756,282	\$347,055
Short-term Investments	\$2,503,301 *	\$2,502,804 *	\$0
Long-term Investments	\$5,472,070	\$5,472,070	\$5,163,842
Endowment/Board Designated	<u>\$4,613,095</u>	<u>\$4,613,095</u>	<u>\$4,298,963</u>
<b>Total Liquid Assets</b>	<b>\$13,307,641</b>	<b>\$13,344,251</b>	<b>\$9,809,860</b>
 <b>Accounts Receivable:</b>	 \$463,559	 \$552,208	 \$2,080,186
 <b>Liabilities</b>			
Accounts Payable	\$193,300	\$117,652	\$1,278,694
Accrued Liabilities	\$354,120	\$307,930	\$471,436
Line of Credit	<u>\$350,111</u>	<u>\$105</u>	<u>\$772,358</u>
<b>Total Liabilities</b>	<b>\$897,531</b>	<b>\$425,687</b>	<b>\$2,522,488</b>
 <b>Net Assets:</b>			
Unrestricted	\$82,846,983	\$83,137,111	\$79,259,448
Temporarily Restricted	\$510,032	\$501,656	\$273,829
Permanently Restricted	<u>\$52,850</u>	<u>\$52,974</u>	<u>\$49,349</u>
<b>Total Net Assets</b>	<b>\$83,409,865</b>	<b>\$83,691,741</b>	<b>\$79,582,626</b>

### Measure Z Balance @ 10/31/2016

Operating	\$5,815,350
Capital Funds	<u>\$16,133,169</u>
<b>Total Measure Z Balance</b>	<b>\$21,948,519</b>

\* Includes \$1,500,000 from the City of Fresno towards shared costs.

# November 2016

MTD Attendance			
	<u>2016</u>	<u>2015</u>	Increase/ Decrease
Attendance	54,973	86,562	-36%
Paid	25,926	46,525	-44%
Members	17,963	27,340	-34%
Group	5,802	5,833	-1%
Other	5,282	6,864	-23%
Giraffe Feeding	18,043	6,098	196%
Capture Rate	33%	7%	366%
Stingray Bay	18,514	15,138	22%
Capture Rate	34%	17%	93%

MTD Revenue			
	<u>2016</u>	<u>2015</u>	Increase/ Decrease
Admissions	\$213,487	\$257,574	-17%
Per Cap	\$3.88	\$2.98	31%
Giraffe Feeding	\$29,952	\$12,653	137%
Per Cap	\$0.54	\$0.15	273%
Stingray Bay	\$15,981	\$18,449	-13%
Per Cap	\$0.29	\$0.21	36%
Membership	\$81,953	\$98,979	-17%

	<u>2016</u>	<u>2015</u>	Increase/ Decrease
Contracted Services			
Concessions	\$0	\$50,829	-100%
Per Cap	\$0.00	\$0.59	-100%
Gift Shop	\$0	\$32,790	-100%
Per Cap	\$0.00	\$0.38	-100%

YTD Attendance			
	<u>2016</u>	<u>2015</u>	Increase/ Decrease
Attendance	908,412	754,448	20%
Paid	480,177	407,756	18%
Members	246,396	184,146	34%
Group	96,184	77,903	23%
Other	85,655	84,643	1%
Giraffe Feeding	239,393	109,915	118%
Capture Rate	26%	15%	81%
Stingray Bay	259,475	257,314	1%
Capture Rate	29%	34%	-16%

YTD Revenue			
	<u>2016</u>	<u>2015</u>	Increase/ Decrease
Admissions	\$3,986,049	\$2,325,912	71%
Per Cap	\$4.39	\$3.08	42%
Giraffe Feeding	\$434,918	\$190,712	128%
Per Cap	\$0.48	\$0.25	89%
Stingray Bay	\$291,069	\$298,120	-2%
Per Cap	\$0.32	\$0.40	-19%
Membership	\$1,220,356	\$852,507	43%

	<u>2016</u>	<u>2015</u>	Increase/ Decrease
Contracted Services			
Concessions	\$0	\$388,114	-100%
Per Cap	\$0.00	\$0.51	-100%
Gift Shop	\$0	\$407,691	-100%
Per Cap	\$0.00	\$0.54	-100%

2015 Audited
808,914
427,094
197,087
80,027
104,706
103,177
13%
236,217
29%
\$2,433,667
\$3.01
\$204,558
\$0.25
\$304,128
\$0.38
\$986,985
\$410,571
\$0.51
\$440,843
\$0.54

Key:	
Equal to or ahead of 2015	
2% or less behind 2015	
More than 2% behind 2015	



**Fresno's Chaffee Zoo Corporation**  
**Balance Sheet**  
November 2016

	<b>FY16 @ 11/30/16</b>	<b>FY16 @ 10/31/16</b>	<b>FY15 @ 12/31/15</b>
<b>ASSETS</b>			
Cash	\$719,175	\$756,282	\$347,055
Short Term Investments	\$2,503,301	\$2,502,804	\$0
Long Term Investments	\$10,027,726	\$9,949,537	\$9,462,805
Accounts Receivable	\$463,559	\$552,208	\$2,080,186
Prepaid Expenses	\$154,105	\$51,548	\$150,623
Inventory	\$0	\$0	\$0
Building, Equipment, Vehicle and Furniture (net)	\$3,271,078	\$3,227,287	\$3,316,483
Exhibits	\$66,822,528	\$66,794,625	\$66,599,341
Construction in Progress	\$345,924	\$282,243	\$148,621
<b>TOTAL ASSETS</b>	<b>\$84,307,396</b>	<b>\$84,116,535</b>	<b>\$82,105,114</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Liabilities</b>			
Accounts Payable/Accrued Liabilities	\$547,420	\$425,582	\$1,750,130
Line of Credit	\$350,111	\$105	\$772,358
<b>Total Liabilities</b>	<b>\$897,531</b>	<b>\$425,687</b>	<b>\$2,522,489</b>
<b>Net Assets</b>			
Fund Balance-Unrestricted	\$82,846,983	\$83,137,111	\$79,259,448
Fund Balance-Temporarily Restricted	\$510,032	\$501,656	\$273,829
Fund Balance-Permanently Restricted	\$52,850	\$52,081	\$49,349
<b>Total Net Assets</b>	<b>\$83,409,865</b>	<b>\$83,690,848</b>	<b>\$79,582,625</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$84,307,396</b>	<b>\$84,116,535</b>	<b>\$82,105,114</b>

**Fresno's Chaffee Zoo Corporation**  
**Income Statement**  
@ November 30, 2016

	FY16 Budget	Current Month			Year-to-Date			FY15 Audited
		Month-to-Date Budget @ 11/30/16	Actual @ 11/30/16	Variance	Year-to-Date Budget @ 11/30/16	Actual @ 11/30/16	Variance	
REVENUE								
Self-Generated Revenue								
Admissions	\$3,854,100	\$240,583	\$213,487	(11.3)%	\$3,690,517	\$3,986,049	8.0%	\$2,433,647
Adopt an Animal	\$40,000	\$4,500	\$1,725	(61.7)%	\$34,500	\$26,115	(24.3)%	\$32,690
Board Designated for Endow	\$50,000	\$0	\$450	0.0%	\$37,500	\$27,008	(28.0)%	\$12,679
Education	\$394,600	\$26,617	\$25,417	(4.5)%	\$374,533	\$383,666	2.4%	\$352,477
Food Services	\$450,500	\$32,000	\$0	(100.0)%	\$421,350	\$713,166	69.3%	\$410,571
Gift Shop	\$450,500	\$32,500	\$0	(100.0)%	\$420,500	\$452,008	7.5%	\$440,843
Giraffe Feeding	\$263,000	\$18,600	\$29,952	61.0%	\$246,000	\$434,918	76.8%	\$204,558
Grants/Fundraising	\$227,500	\$25,208	\$14,199	(43.7)%	\$127,292	\$284,570	123.6%	\$698,780
Group Event/Facility Rental	\$327,000	\$37,500	\$23,449	(37.5)%	\$324,500	\$556,474	71.5%	\$374,968
Interest Income	\$352,500	\$40,208	\$36,965	(8.1)%	\$184,792	\$148,799	(19.5)%	\$368,603
Investment Income	\$0	\$0	\$56,821	0.0%	\$0	\$462,548	0.0%	(\$459,079)
Membership	\$1,100,000	\$110,000	\$81,953	(25.5)%	\$955,000	\$1,220,356	27.8%	\$986,985
Special Events	\$736,000	\$55,000	\$19,167	(65.2)%	\$564,500	\$492,758	(12.7)%	\$633,935
Stingray Exhibit	\$357,000	\$24,200	\$15,981	(34.0)%	\$334,500	\$291,069	(13.0)%	\$304,128
Other	\$66,500	\$3,542	\$3,386	(4.4)%	\$62,958	\$1,553,843	2,368.1%	\$55,027
Total Self-Generated Revenue	\$8,669,200	\$650,458	\$522,951	(19.6)%	\$7,778,442	\$11,033,347	41.8%	\$6,850,813
City of Fresno	\$0	\$0	\$0	0.0%	\$0	\$0	0.0%	\$0
Measure Z-Capital Funds	\$20,200	\$1,683	\$0	(100.0)%	\$18,517	\$152,245	722.2%	\$21,389,079
Measure Z Operating Funds	\$4,250,120	\$298,140	\$365,654	22.6%	\$4,014,056	\$3,921,249	(2.3)%	\$4,383,385
TOTAL REVENUE	\$12,939,520	\$950,282	\$888,604	(6.5)%	\$11,811,014	\$15,106,842	27.9%	\$32,623,278

**Fresno's Chaffee Zoo Corporation**  
**Income Statement**  
@ November 30, 2016

	FY16 Budget	Current Month			Year-to-Date			FY15 Audited
		Month-to-Date Budget @ 11/30/16	Actual @ 11/30/16	Variance	Year-to-Date Budget @ 11/30/16	Actual @ 11/30/16	Variance	
EXPENSES								
OPERATING EXPENSES								
Personnel Expenses								
Administration	\$824,768	\$63,026	\$60,574	(3.9)%	\$740,920	\$647,483	(12.6)%	\$702,910
Animal	\$3,185,826	\$241,230	\$247,254	2.5%	\$2,866,555	\$2,634,320	(8.1)%	\$2,323,373
Education	\$835,606	\$58,394	\$64,532	10.5%	\$766,617	\$798,674	4.2%	\$799,525
Maintenance/Horticulture	\$941,729	\$70,739	\$68,468	(3.2)%	\$848,618	\$748,505	(11.8)%	\$583,987
Mem/Dev/Marketing	\$679,859	\$54,722	\$66,667	21.8%	\$612,711	\$610,358	(0.4)%	\$587,535
Operations	\$212,341	\$18,343	\$8,343	(54.5)%	\$186,611	\$89,307	(52.1)%	\$11,846
Veterinary	\$353,984	\$27,207	\$30,710	12.9%	\$320,513	\$340,430	6.2%	\$283,647
Visitor Services	\$773,667	\$59,293	\$58,917	(0.6)%	\$695,141	\$671,256	(3.4)%	\$669,440
Total Personnel Expenses	\$7,807,780	\$592,955	\$605,466	2.1%	\$7,037,685	\$6,540,333	(7.1)%	\$5,962,262
Other Expenses								
Advertising	\$364,100	\$31,050	\$36,767	18.4%	\$333,050	\$279,439	(16.1)%	\$260,923
Animal Services	\$410,175	\$34,181	\$40,134	17.4%	\$375,994	\$412,726	9.8%	\$592,850
Computer/Software	\$60,685	\$3,624	\$656	(81.9)%	\$57,061	\$51,837	(9.2)%	\$40,549
Conservation	\$125,000	\$25,000	\$78,867	215.5%	\$100,000	\$91,367	(8.6)%	\$81,410
Contracted Services	\$528,650	\$34,308	\$62,530	82.3%	\$480,317	\$631,143	31.4%	\$515,880
Depreciation Expense	\$396,546	\$33,046	\$0	(100.0)%	\$363,500	\$334,506	(8.0)%	\$2,427,524
Dues	\$42,800	\$1,150	\$0	(100.0)%	\$41,650	\$24,161	(42.0)%	\$46,265
Equipment	\$207,529	\$15,953	\$25,777	61.6%	\$168,577	\$186,110	10.4%	\$216,086
Fleet	\$49,579	\$4,132	\$1,448	(65.0)%	\$45,447	\$18,249	(59.8)%	\$38,119
Food/Catering	\$193,050	\$6,542	\$43,263	561.3%	\$173,208	\$300,724	73.6%	\$213,561
Insurance	\$170,000	\$10,500	\$12,895	22.8%	\$170,000	\$178,910	5.2%	\$155,389
Miscellaneous Business	\$56,425	\$4,489	\$8,912	98.5%	\$52,356	\$47,447	(9.4)%	\$50,716
Office Supplies	\$27,270	\$2,773	\$3,088	11.4%	\$25,497	\$29,915	17.3%	\$31,831
Postage	\$65,946	\$4,098	\$8,450	106.2%	\$61,498	\$54,666	(11.1)%	\$59,193
Printing	\$155,340	\$19,462	\$21,503	10.5%	\$148,878	\$140,272	(5.8)%	\$197,788
Professional Services	\$225,500	\$18,792	\$24,206	28.8%	\$206,708	\$186,821	(9.6)%	\$235,710
Repairs and Replacements	\$372,400	\$31,033	\$23,076	(25.6)%	\$341,367	\$228,756	(33.0)%	\$312,706

**Fresno's Chaffee Zoo Corporation**  
**Income Statement**  
@ November 30, 2016

	FY16 Budget	Current Month			Year-to-Date			FY15 Audited
		Month-to-Date Budget @ 11/30/16	Actual @ 11/30/16	Variance	Year-to-Date Budget @ 11/30/16	Actual @ 11/30/16	Variance	
Service/Bank/Credit Card Fee	\$146,820	\$19,113	\$30,401	59.1%	\$139,467	\$186,306	33.6%	\$143,263
Signage	\$16,500	\$1,375	\$681	(50.5)%	\$15,125	\$7,053	(53.4)%	\$14,952
Specialized Services	\$27,500	\$2,292	\$4,125	80.0%	\$25,208	\$50,169	99.0%	\$32,183
Staff Development	\$110,587	\$9,382	\$12,625	34.6%	\$102,455	\$112,240	9.6%	\$66,949
Supplies	\$416,725	\$36,933	\$57,115	54.6%	\$385,367	\$529,333	37.4%	\$487,379
Telephone	\$44,550	\$3,713	\$4,508	21.4%	\$40,837	\$45,704	11.9%	\$49,763
Uniforms	\$40,230	\$3,353	\$2,466	(26.4)%	\$36,877	\$27,362	(25.8)%	\$43,702
Utilities	\$695,000	\$57,917	\$58,582	1.1%	\$637,083	\$556,915	(12.6)%	\$548,064
Other	\$27,125	\$879	\$1,086	23.6%	\$25,746	\$26,175	1.7%	\$23,974
<b>Total Other Expenses</b>	<b>\$4,976,032</b>	<b>\$415,088</b>	<b>\$563,158</b>	<b>35.7%</b>	<b>\$4,553,274</b>	<b>\$4,738,305</b>	<b>4.1%</b>	<b>\$6,886,728</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$12,783,812</b>	<b>\$1,008,043</b>	<b>\$1,168,623</b>	<b>15.9%</b>	<b>\$11,590,959</b>	<b>\$11,278,638</b>	<b>(2.7)%</b>	<b>\$12,848,991</b>
<b>Expansion/Nonoperating Exp.</b>								
Expansion/Nonoperating Exp.	\$0	\$0	\$963	0.0%	\$0	\$963	0.0%	\$6,205
<b>Total Expansion/Nonoperating Exp.</b>	<b>\$0</b>	<b>\$0</b>	<b>\$963</b>	<b>0.0%</b>	<b>\$0</b>	<b>\$963</b>	<b>0.0%</b>	<b>\$6,205</b>
<b>TOTAL EXPENSES</b>	<b>\$12,783,812</b>	<b>\$1,008,043</b>	<b>\$1,169,587</b>	<b>16.0%</b>	<b>\$11,590,959</b>	<b>\$11,279,601</b>	<b>(2.7)%</b>	<b>\$12,855,196</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$79,582,625</b>	<b>\$83,690,848</b>	<b>\$83,690,848</b>	<b>0.0%</b>	<b>\$79,582,625</b>	<b>\$79,582,625</b>	<b>0.0%</b>	<b>\$59,814,543</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$155,708</b>	<b>(\$57,761)</b>	<b>(\$280,983)</b>	<b>386.5%</b>	<b>\$220,055</b>	<b>\$3,827,240</b>	<b>1,639.2%</b>	<b>\$19,768,082</b>
<b>ENDING FUND BALANCE</b>	<b>\$79,738,333</b>	<b>\$83,633,088</b>	<b>\$83,409,865</b>	<b>(0.3)%</b>	<b>\$79,802,680</b>	<b>\$83,409,865</b>	<b>4.5%</b>	<b>\$79,582,625</b>

## Measure Z Revenue Summary of Tax Proceeds

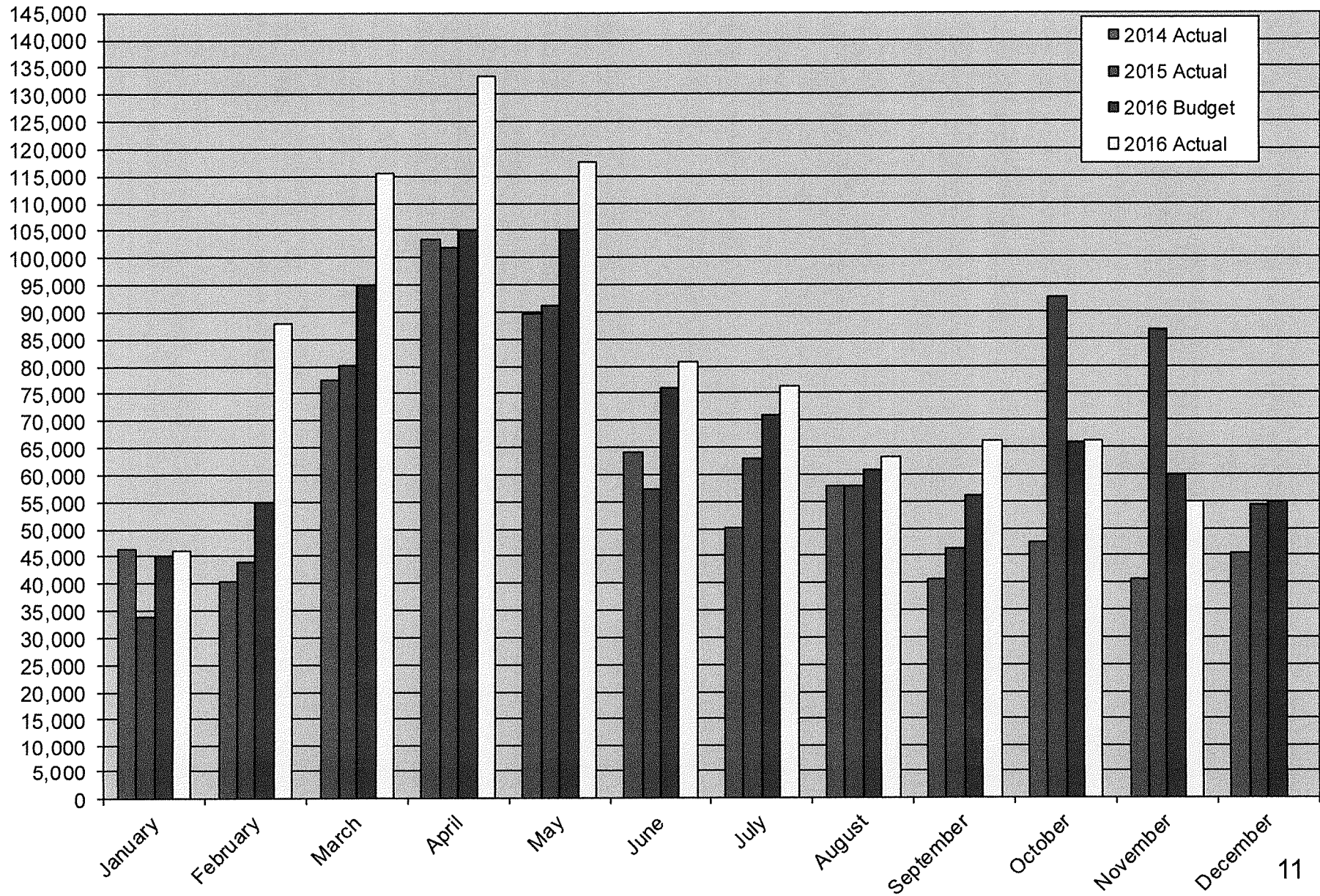
	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Actual	2015-2016 Actual
July	\$819,900	\$813,500	\$671,700	\$659,300	\$719,800	\$826,000	\$903,500	\$864,900	\$900,800	\$952,000
August	1,093,200	1,084,700	885,300	857,600	921,200	1,033,100	\$1,106,000	\$1,149,600	\$1,201,100	\$1,269,300
September	1,060,279	930,087	810,940	895,691	1,057,603	1,028,369	\$1,097,605	\$1,199,226	\$1,408,037	\$1,181,071
October	853,500	792,200	678,000	677,000	694,100	850,500	\$857,400	\$879,100	\$911,400	\$941,400
November	1,138,000	1,056,300	743,300	879,500	878,500	1,056,800	\$1,143,200	\$1,172,100	\$1,215,200	
December	827,112	872,815	971,061	932,350	1,240,028	1,083,021	\$1,076,977	\$1,147,219	\$1,306,493	
January	831,200	766,900	719,900	710,700	770,100	799,900	\$836,700	\$884,100	\$915,800	
February	1,108,200	841,000	944,000	919,900	978,600	1,086,700	\$1,101,200	\$1,178,800	\$1,221,000	
March	762,907	959,801	628,563	821,858	1,006,649	1,021,734	\$1,113,584	\$1,087,121	\$1,226,517	
April	699,000	652,000	594,300	618,400	716,100	846,500	\$788,000	\$804,100	\$819,500	
May	932,000	860,800	847,200	876,500	897,100	1,493,700	\$1,050,600	\$1,072,100	\$1,092,700	
June	1,026,580	730,781	821,511	963,040	1,191,689	1,015,391	\$1,139,360	\$1,231,366	\$1,374,748	
<b>Total</b>	<b><u>\$11,151,879</u></b>	<b><u>\$10,360,883</u></b>	<b><u>\$9,315,775</u></b>	<b><u>\$9,811,839</u></b>	<b><u>\$11,071,469</u></b>	<b><u>\$12,141,715</u></b>	<b><u>\$12,214,126</u></b>	<b><u>\$12,669,732</u></b>	<b><u>\$13,593,295</u></b>	<b><u>\$4,343,771</u></b>

Total received from inception \$130,003,460

**Fresno's Chaffee Zoo Corporation  
Aged Receivables Report  
as of November 30, 2016**

	<u><b>0-30 Days</b></u>	<u><b>31-60 Days</b></u>	<u><b>61-90 Days</b></u>	<u><b>90+ Days</b></u>	<u><b>Total</b></u>
<b>Fresno County Zoo Authority</b>	\$366,904				<b>\$366,904</b>
<b>SSA</b>	\$0				<b>\$0</b>
<b>Sponsorships/Donations</b>	\$750	\$2,068	\$5,000	\$52,000	<b>\$59,818</b>
<b>School Groups</b>	\$31,960				<b>\$31,960</b>
<b>Miscellaneous</b>	\$4,876				<b>\$4,876</b>
	<b>\$404,490</b>	<b>\$2,068</b>	<b>\$5,000</b>	<b>\$52,000</b>	<b>\$463,558</b>

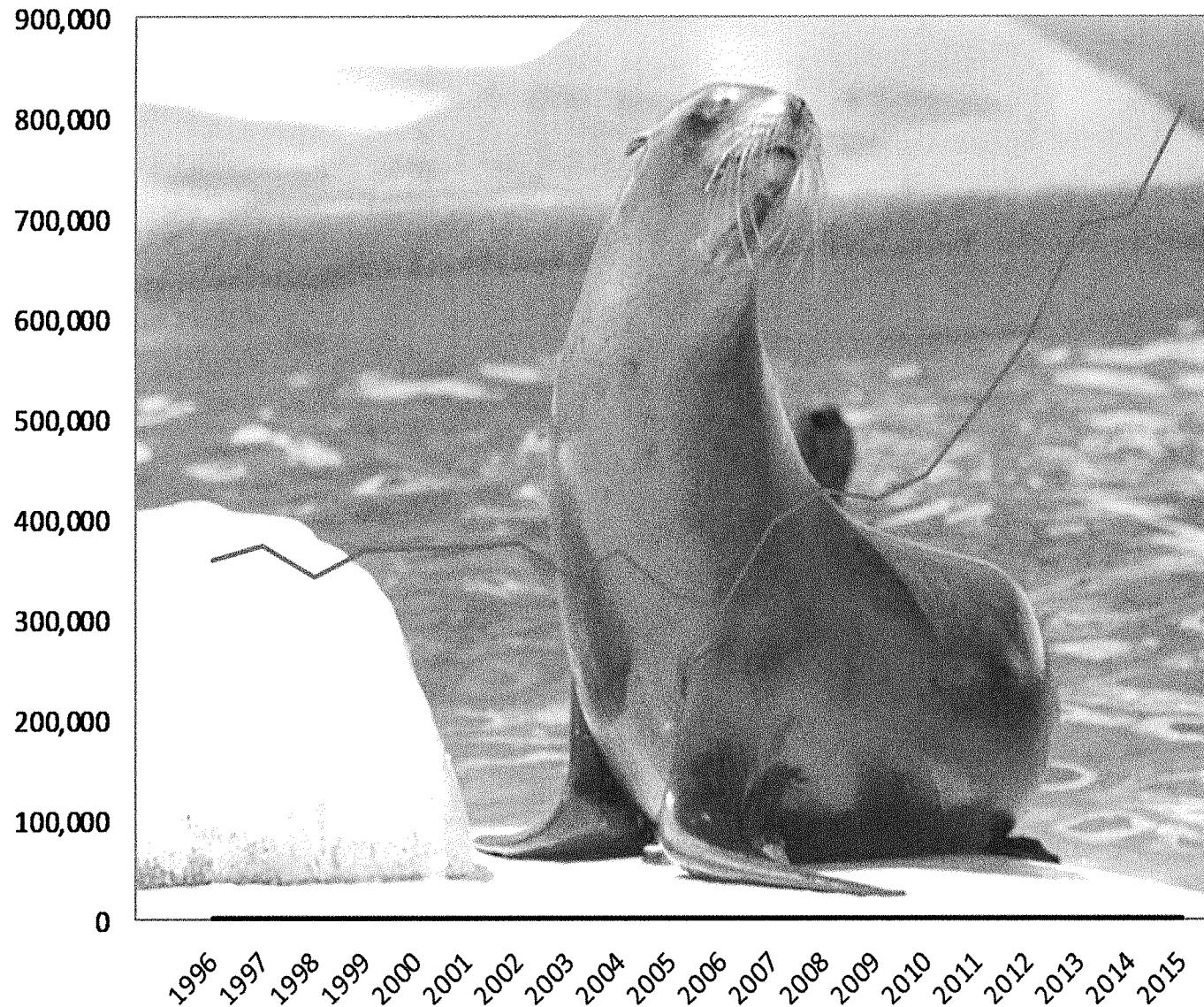
**Fresno Chaffee Zoo  
Attendance Comparison  
2014 - 2016**



## Fresno Chaffee Zoo Attendance Totals

1996	359,444
1997	373,501
1998	341,498
1999	368,556
2000	371,911
2001	371,967
2002	377,174
2003	341,559
2004	368,782
2005	325,224
2006 *	311,247
2007	398,820
2008	429,272
2009	418,285
2010	443,251
2011	511,788
2012	580,226
2013	691,320
2014	703,325
2015	808,914
2016	?

\* FCZC assumed management  
responsibility 2/1/2006







## FY16 December\* Financial Report

\* Year end posting not complete

## **Discussion of Financial Results As of December 30, 2016**

- **Key Facts & Figures<sup>1</sup>:**

- Self-generated revenue was \$9,926,119<sup>1</sup> compared to budgeted revenue of \$8,669,200.
- Surplus of \$2,047,160<sup>1</sup> compare to budgeted surplus of \$532,054.
- Total personnel expenses are 7.6% under budget and total expenses are 2.9% under budget. Year end adjustments, such as accrued payroll and final depreciation, will be made by the end of February.
- December 2016 attendance was 55,679 compared to budgeted attendance of 55,000, an increase of 1%. December 2016 attendance was 2% ahead of December 2015 attendance of 54,466.
- 2016 attendance of 964,091 compared to 2016 budgeted attendance of 850,000 an increase of 13%. 2016 attendance was 19% over 2015 attendance of 808,914.

<sup>1</sup> Excludes investment income (unrealized gain/loss on investments), depreciation, and \$1,500,000 from the City of Fresno.

## December 2016

MTD Attendance				YTD Attendance			
	<u>2016</u>	<u>2015</u>	Increase/ Decrease		<u>2016</u>	<u>2015</u>	Increase/ Decrease
Attendance	55,679	54,466	2%	Attendance	964,091	808,914	19%
Paid	14,551	19,338	-25%	Paid	494,728	427,094	16%
Members	10,560	12,941	-18%	Members	256,956	197,087	30%
Group	1,526	2,124	-28%	Group	97,710	80,027	22%
Other	29,042	20,063	45%	Other	114,697	104,706	10%
Giraffe Feeding	9,615	6,735	43%	Giraffe Feeding	226,904	103,177	120%
Capture Rate	17%	12%	40%	Capture Rate	24%	13%	85%
Stingray Bay	8,096	5,144	57%	Stingray Bay	244,696	236,217	4%
Capture Rate	15%	9%	54%	Capture Rate	25%	29%	-13%
MTD Revenue				YTD Revenue			
	<u>2016</u>	<u>2015</u>	Increase/ Decrease		<u>2016</u>	<u>2015</u>	Increase/ Decrease
Admissions	\$114,887	\$107,735	7%	Admissions	\$4,100,947	\$2,433,647	69%
Per Cap	\$2.06	\$1.98	4%	Per Cap	\$4.25	\$3.01	41%
Giraffe Feeding	\$15,920	\$13,846	15%	Giraffe Feeding	\$450,838	\$204,558	120%
Per Cap	\$0.29	\$0.25	12%	Per Cap	\$0.47	\$0.25	85%
Stingray Bay	\$7,520	\$6,008	25%	Stingray Bay	\$298,588	\$304,128	-2%
Per Cap	\$0.14	\$0.11	22%	Per Cap	\$0.31	\$0.38	-18%
Membership	\$103,263	\$134,479	-23%	Membership	\$1,323,619	\$986,985	34%
	<u>2016</u>	<u>2015</u>	Increase/ Decrease		<u>2016</u>	<u>2015</u>	Increase/ Decrease
Contracted Services				Contracted Services			
Concessions	\$26,377	\$22,457	17%	Concessions	\$775,616	\$410,571	89%
Per Cap	\$0.47	\$0.41	15%	Per Cap	\$0.80	\$0.51	59%
Gift Shop	\$23,005	\$33,153	-31%	Gift Shop	\$499,947	\$440,843	13%
Per Cap	\$0.41	\$0.61	-32%	Per Cap	\$0.52	\$0.54	-5%

Key:	
Equal to or ahead of 2015	
2% or less behind 2015	
More than 2% behind 2015	

**Fresno's Chaffee Zoo Corporation**  
**Balance Sheet**  
December 2016

	<u>FY16</u> <u>@ 12/31/16</u>	<u>FY16</u> <u>@ 11/30/16</u>	<u>FY15</u> <u>@ 12/31/15</u>
<b>ASSETS</b>			
Cash	\$748,706	\$729,699	\$347,055
Short Term Investments	\$750,496	\$2,503,393	\$0
Long Term Investments	\$10,132,982	\$10,027,726	\$9,462,805
Accounts Receivable	\$768,882	\$526,393	\$2,080,186
Prepaid Expenses	\$142,679	\$154,105	\$150,623
Inventory	\$0	\$0	\$0
Building, Equipment, Vehicle and Furniture (net)	\$3,278,616	\$3,271,078	\$3,316,483
Exhibits	\$68,024,070	\$66,822,528	\$66,599,341
Construction in Progress	\$393,399	\$345,924	\$148,621
<b>TOTAL ASSETS</b>	<u><b>\$84,239,830</b></u>	<u><b>\$84,380,847</b></u>	<u><b>\$82,105,114</b></u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Liabilities</b>			
Accounts Payable/Accrued Liabilities	\$551,339	\$549,372	\$1,750,130
Line of Credit	\$350,900	\$350,265	\$772,358
<b>Total Liabilities</b>	<u><b>\$902,240</b></u>	<u><b>\$899,637</b></u>	<u><b>\$2,522,489</b></u>
<b>Net Assets</b>			
Fund Balance-Unrestricted	\$82,738,546	\$82,918,828	\$79,259,448
Fund Balance-Temporarily Restricted	\$545,489	\$509,532	\$273,829
Fund Balance-Permanently Restricted	\$53,555	\$52,850	\$49,349
<b>Total Net Assets</b>	<u><b>\$83,337,590</b></u>	<u><b>\$83,481,210</b></u>	<u><b>\$79,582,625</b></u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$84,239,830</b></u>	<u><b>\$84,380,847</b></u>	<u><b>\$82,105,114</b></u>

**Fresno's Chaffee Zoo Corporation**  
**Income Statement**  
@ December 30, 2016

	FY16 Budget	Current Month			Year-to-Date			FY15 Audited
		Month-to-Date Budget @ 12/30/16	Actual @ 12/30/16	Variance	Year-to-Date Budget @ 12/30/16	Actual @ 12/30/16	Variance	
REVENUE								
Self-Generated Revenue								
Admissions	\$3,854,100	\$163,583	\$114,887	(29.8)%	\$3,854,100	\$4,100,947	6.4%	\$2,433,647
Adopt an Animal	\$40,000	\$5,500	\$5,535	0.6%	\$40,000	\$31,650	(20.9)%	\$32,690
Board Designated for Endow	\$50,000	\$12,500	\$150	(98.8)%	\$50,000	\$27,158	(45.7)%	\$12,679
Education	\$394,600	\$20,067	\$18,844	(6.1)%	\$394,600	\$402,510	2.0%	\$352,477
Food Services	\$450,500	\$29,150	\$26,377	(9.5)%	\$450,500	\$775,616	72.2%	\$410,571
Gift Shop	\$450,500	\$30,000	\$23,005	(23.3)%	\$450,500	\$499,947	11.0%	\$440,843
Giraffe Feeding	\$263,000	\$17,000	\$15,920	(6.4)%	\$263,000	\$450,838	71.4%	\$204,558
Grants/Fundraising	\$227,500	\$100,208	\$36,431	(63.6)%	\$227,500	\$320,501	40.9%	\$698,780
Group Event/Facility Rental	\$327,000	\$2,500	\$36,348	1,353.9%	\$327,000	\$603,091	84.4%	\$374,968
Interest Income	\$352,500	\$167,708	\$178,035	6.2%	\$352,500	\$326,926	(7.3)%	\$368,603
Investment Income	\$0	\$0	(\$72,322)	0.0%	\$0	\$390,066	0.0%	(\$459,079)
Membership	\$1,100,000	\$145,000	\$103,263	(28.8)%	\$1,100,000	\$1,323,619	20.3%	\$986,985
Special Events	\$736,000	\$171,500	\$210,656	22.8%	\$736,000	\$703,414	(4.4)%	\$633,935
Stingray Exhibit	\$357,000	\$22,500	\$7,520	(66.6)%	\$357,000	\$298,588	(16.4)%	\$304,128
Other	\$66,500	\$3,542	\$7,469	110.9%	\$66,500	\$1,561,312	2,247.8%	\$55,027
Total Self-Generated Revenue	\$8,669,200	\$890,758	\$712,117	(20.1)%	\$8,669,200	\$11,816,185	36.3%	\$6,850,813
City of Fresno	\$0	\$0	\$0	0.0%	\$0	\$0	0.0%	\$0
Measure Z-Capital Funds	\$20,200	\$1,683	\$0	(100.0)%	\$20,200	\$152,245	653.7%	\$21,389,079
Measure Z Operating Funds	\$4,250,120	\$236,064	\$281,048	19.1%	\$4,250,120	\$4,202,915	(1.1)%	\$4,383,385
TOTAL REVENUE	\$12,939,520	\$1,128,506	\$993,165	(12.0)%	\$12,939,520	\$16,171,345	25.0%	\$32,623,278

**Fresno's Chaffee Zoo Corporation**  
**Income Statement**  
@ December 30, 2016

	FY16 Budget	Current Month			Year-to-Date			FY15 Audited
		Month-to-Date Budget @ 12/30/16	Actual @ 12/30/16	Variance	Year-to-Date Budget @ 12/30/16	Actual @ 12/30/16	Variance	
EXPENSES								
OPERATING EXPENSES								
Personnel Expenses								
Administration	\$824,768	\$83,848	\$65,580	(21.8)%	\$824,768	\$713,063	(13.5)%	\$702,910
Animal	\$3,185,826	\$319,271	\$265,265	(16.9)%	\$3,185,826	\$2,904,023	(8.8)%	\$2,323,373
Education	\$835,606	\$68,989	\$78,414	13.7%	\$835,606	\$872,649	4.4%	\$799,525
Maintenance/Horticulture	\$941,729	\$93,111	\$73,538	(21.0)%	\$941,729	\$822,043	(12.7)%	\$583,987
Mem/Dev/Marketing	\$679,859	\$67,148	\$73,441	9.4%	\$679,859	\$683,799	0.6%	\$587,535
Operations	\$212,341	\$25,730	\$9,008	(65.0)%	\$212,341	\$98,315	(53.7)%	\$11,846
Veterinary	\$353,984	\$33,471	\$32,756	(2.1)%	\$353,984	\$373,186	5.4%	\$283,647
Visitor Services	\$773,667	\$78,526	\$77,478	(1.3)%	\$773,667	\$748,733	(3.2)%	\$669,440
Total Personnel Expenses	\$7,807,780	\$770,095	\$675,478	(12.3)%	\$7,807,780	\$7,215,811	(7.6)%	\$5,962,262
Other Expenses								
Advertising	\$364,100	\$31,050	\$52,952	70.5%	\$364,100	\$332,169	(8.8)%	\$260,923
Animal Services	\$410,175	\$34,181	\$24,624	(28.0)%	\$410,175	\$437,350	6.6%	\$592,850
Computer/Software	\$60,685	\$3,624	\$529	(85.4)%	\$60,685	\$52,366	(13.7)%	\$40,549
Conservation	\$125,000	\$25,000	\$17,003	(32.0)%	\$125,000	\$108,370	(13.3)%	\$81,410
Contracted Services	\$528,650	\$48,333	\$51,944	7.5%	\$528,650	\$683,087	29.2%	\$515,880
Depreciation Expense	\$396,546	\$33,046	\$0	(100.0)%	\$396,546	\$334,506	(15.6)%	\$2,427,524
Dues	\$42,800	\$1,150	\$420	(63.5)%	\$42,800	\$24,581	(42.6)%	\$46,265
Equipment	\$207,529	\$38,953	\$38,252	(1.8)%	\$207,529	\$224,362	8.1%	\$216,086
Fleet	\$49,579	\$4,132	\$999	(75.8)%	\$49,579	\$19,248	(61.2)%	\$38,119
Food/Catering	\$193,050	\$19,842	\$13,223	(33.4)%	\$193,050	\$313,947	62.6%	\$213,561
Insurance	\$170,000	\$0	\$350	0.0%	\$170,000	\$179,260	5.4%	\$155,389
Miscellaneous Business	\$56,425	\$4,069	\$3,959	(2.7)%	\$56,425	\$51,406	(8.9)%	\$50,716
Office Supplies	\$27,270	\$1,773	\$2,953	66.6%	\$27,270	\$32,869	20.5%	\$31,831
Postage	\$65,946	\$4,448	\$6,858	54.2%	\$65,946	\$61,525	(6.7)%	\$59,193
Printing	\$155,340	\$6,462	\$14,369	122.4%	\$155,340	\$154,491	(0.5)%	\$197,788
Professional Services	\$225,500	\$18,792	\$54,307	189.0%	\$225,500	\$241,128	6.9%	\$235,710
Repairs and Replacements	\$372,400	\$31,033	\$25,968	(16.3)%	\$372,400	\$254,874	(31.6)%	\$312,706

**Fresno's Chaffee Zoo Corporation**  
**Income Statement**  
@ December 30, 2016

	FY16 Budget	Current Month			Year-to-Date			FY15 Audited
		Month-to-Date Budget @ 12/30/16	Actual @ 12/30/16	Variance	Year-to-Date Budget @ 12/30/16	Actual @ 12/30/16	Variance	
Service/Bank/Credit Card	\$146,820	\$7,353	\$10,002	36.0%	\$146,820	\$196,302	33.7%	\$143,263
Signage	\$16,500	\$1,375	\$11,366	726.6%	\$16,500	\$18,418	11.6%	\$14,952
Specialized Services	\$27,500	\$2,292	\$0	(100.0)%	\$27,500	\$50,169	82.4%	\$32,183
Staff Development	\$110,587	\$8,132	\$989	(87.8)%	\$110,587	\$113,229	2.4%	\$66,949
Supplies	\$416,725	\$31,358	\$46,213	47.4%	\$416,725	\$575,767	38.2%	\$487,379
Telephone	\$44,550	\$3,713	\$4,303	15.9%	\$44,550	\$50,007	12.2%	\$49,763
Uniforms	\$40,230	\$3,353	\$8,309	147.9%	\$40,230	\$35,672	(11.3)%	\$43,702
Utilities	\$695,000	\$57,917	\$65,490	13.1%	\$695,000	\$622,405	(10.4)%	\$548,064
Other	\$27,125	\$1,379	\$5,870	325.6%	\$27,125	\$32,046	18.1%	\$23,974
<b>Total Other Expenses</b>	<b>\$4,976,032</b>	<b>\$422,758</b>	<b>\$461,252</b>	<b>9.1%</b>	<b>\$4,976,032</b>	<b>\$5,199,551</b>	<b>4.5%</b>	<b>\$6,886,728</b>
<b>TOTAL OPERATING EXP.</b>	<b>\$12,783,812</b>	<b>\$1,192,853</b>	<b>\$1,136,730</b>	<b>(4.7)%</b>	<b>\$12,783,812</b>	<b>\$12,415,362</b>	<b>(2.9)%</b>	<b>\$12,848,991</b>
<b>Expansion/Nonoperating Exp.</b>								
Expansion/Nonoperating Exp.	\$0	\$0	\$55	0.0%	\$0	\$1,018	0.0%	\$6,205
<b>Total Expansion/Nonoperating Exp.</b>	<b>\$0</b>	<b>\$0</b>	<b>\$55</b>	<b>0.0%</b>	<b>\$0</b>	<b>\$1,018</b>	<b>0.0%</b>	<b>\$6,205</b>
<b>TOTAL EXPENSES</b>	<b>\$12,783,812</b>	<b>\$1,192,853</b>	<b>\$1,136,785</b>	<b>(4.7)%</b>	<b>\$12,783,812</b>	<b>\$12,416,380</b>	<b>(2.9)%</b>	<b>\$12,855,196</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$79,582,625</b>	<b>\$83,481,210</b>	<b>\$83,481,210</b>	<b>0.0%</b>	<b>\$79,582,625</b>	<b>\$79,582,625</b>	<b>0.0%</b>	<b>\$59,814,543</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$155,708</b>	<b>(\$64,347)</b>	<b>(\$143,620)</b>	<b>123.2%</b>	<b>\$155,708</b>	<b>\$3,754,965</b>	<b>2,311.5%</b>	<b>\$19,768,082</b>
<b>ENDING FUND BALANCE</b>	<b>\$79,738,333</b>	<b>\$83,416,864</b>	<b>\$83,337,590</b>	<b>(0.1)%</b>	<b>\$79,738,333</b>	<b>\$83,337,590</b>	<b>4.5%</b>	<b>\$79,582,625</b>

## Measure Z Revenue Summary of Tax Proceeds

	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Actual	2015-2016 Actual
July	\$819,900	\$813,500	\$671,700	\$659,300	\$719,800	\$826,000	\$903,500	\$864,900	\$900,800	\$952,000
August	1,093,200	1,084,700	885,300	857,600	921,200	1,033,100	\$1,106,000	\$1,149,600	\$1,201,100	\$1,269,300
September	1,060,279	930,087	810,940	895,691	1,057,603	1,028,369	\$1,097,605	\$1,199,226	\$1,408,037	\$1,181,071
October	853,500	792,200	678,000	677,000	694,100	850,500	\$857,400	\$879,100	\$911,400	\$941,400
November	1,138,000	1,056,300	743,300	879,500	878,500	1,056,800	\$1,143,200	\$1,172,100	\$1,215,200	
December	827,112	872,815	971,061	932,350	1,240,028	1,083,021	\$1,076,977	\$1,147,219	\$1,306,493	
January	831,200	766,900	719,900	710,700	770,100	799,900	\$836,700	\$884,100	\$915,800	
February	1,108,200	841,000	944,000	919,900	978,600	1,086,700	\$1,101,200	\$1,178,800	\$1,221,000	
March	762,907	959,801	628,563	821,858	1,006,649	1,021,734	\$1,113,584	\$1,087,121	\$1,226,517	
April	699,000	652,000	594,300	618,400	716,100	846,500	\$788,000	\$804,100	\$819,500	
May	932,000	860,800	847,200	876,500	897,100	1,493,700	\$1,050,600	\$1,072,100	\$1,092,700	
June	<u>1,026,580</u>	<u>730,781</u>	<u>821,511</u>	<u>963,040</u>	<u>1,191,689</u>	<u>1,015,391</u>	<u>\$1,139,360</u>	<u>\$1,231,366</u>	<u>\$1,374,748</u>	
<b>Total</b>	<b><u>\$11,151,879</u></b>	<b><u>\$10,360,883</u></b>	<b><u>\$9,315,775</u></b>	<b><u>\$9,811,839</u></b>	<b><u>\$11,071,469</u></b>	<b><u>\$12,141,715</u></b>	<b><u>\$12,214,126</u></b>	<b><u>\$12,669,732</u></b>	<b><u>\$13,593,295</u></b>	<b><u>\$4,343,771</u></b>

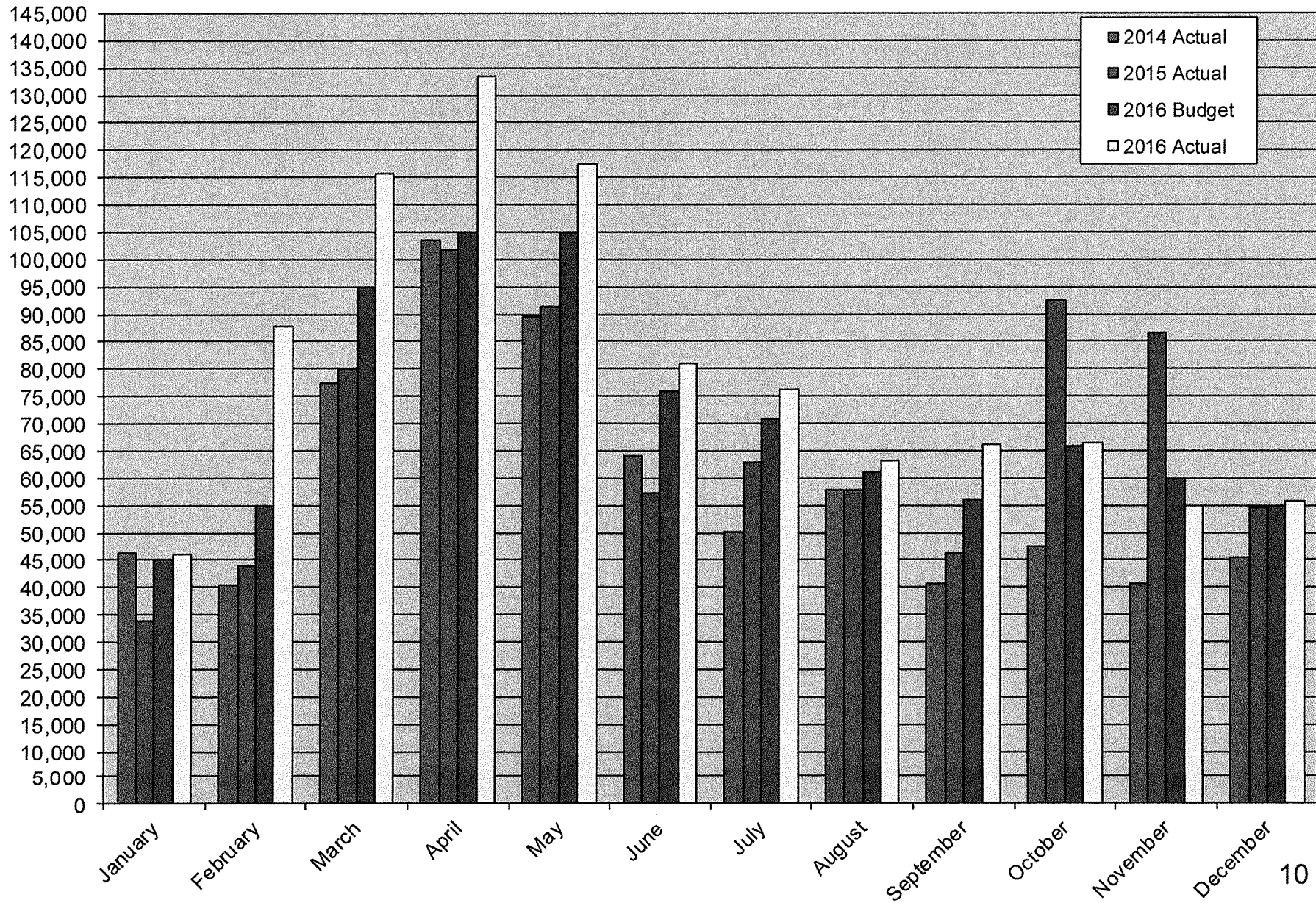
Total received from inception **\$130,003,460**



**Fresno's Chaffee Zoo Corporation  
Aged Receivables Report  
as of December 30, 2016**

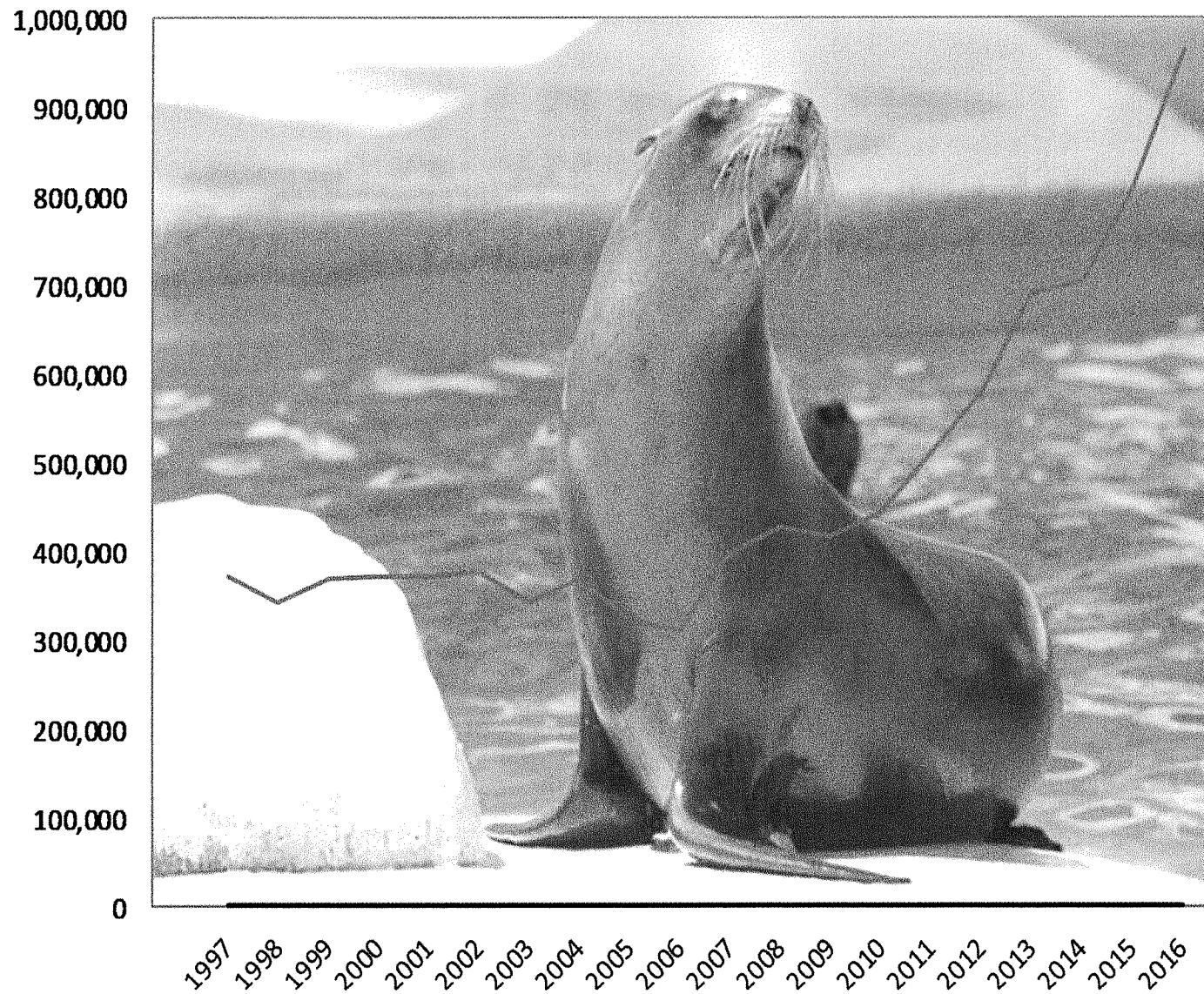
	<u><b>0-30 Days</b></u>	<u><b>31-60 Days</b></u>	<u><b>61-90 Days</b></u>	<u><b>90+ Days</b></u>	<u><b>Total</b></u>
<b>Fresno County Zoo Authority</b>	\$647,309				<b>\$647,309</b>
<b>SSA</b>	\$50,556				<b>\$50,556</b>
<b>Sponsorships/Donations</b>	\$1,300	\$1,900	\$11,000	\$40,000	<b>\$54,200</b>
<b>School Groups</b>	\$5,434				<b>\$5,434</b>
<b>Miscellaneous</b>	\$11,382				<b>\$11,382</b>
	<b>\$715,981</b>	<b>\$1,900</b>	<b>\$11,000</b>	<b>\$40,000</b>	<b>\$768,881</b>

Fresno Chaffee Zoo  
Attendance Comparison  
2014 - 2016



## Fresno Chaffee Zoo Attendance Totals

1996	359,444
1997	373,501
1998	341,498
1999	368,556
2000	371,911
2001	371,967
2002	377,174
2003	341,559
2004	368,782
2005	325,224
2006 *	311,247
2007	398,820
2008	429,272
2009	418,285
2010	443,251
2011	511,788
2012	580,226
2013	691,320
2014	703,325
2015	808,914
2016	964,091






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DATE: January 25, 2017

TO: Fresno County Zoo Authority Board

FROM: Brian Goldman, Chief Financial Officer  
Fresno's Chaffee Zoo Corporation

SUBJECT: 2017 Measure Z Operating Request

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RECOMMENDED ACTION:

Approve Fresno's Chaffee Zoo Corporation fiscal year 2017 Measure Z Operating funds totaling \$4,522,000 for reimbursement of Animal and Veterinary salary and benefits, Animal Food, Utilities, and Bank Fees to wire reimbursement funds to the Zoo.

DISCUSSION:

Operating Budget

The 2017 budget was developed by the management team of the Fresno Chaffee Zoo. The 2017 Measure Z Operating request is \$4,522,000 and all line items are in the Zoo's operating budget. 2017 Measure Z projected operating revenue of \$4,516,278 excluding earned interest. There is an operating fund surplus of approximately \$6.4 million as of September 31, 2016.

The Fresno's Chaffee Zoo Corporation Board of Directors approved the 2017 budget on November 16, 2016. (Attachment A).

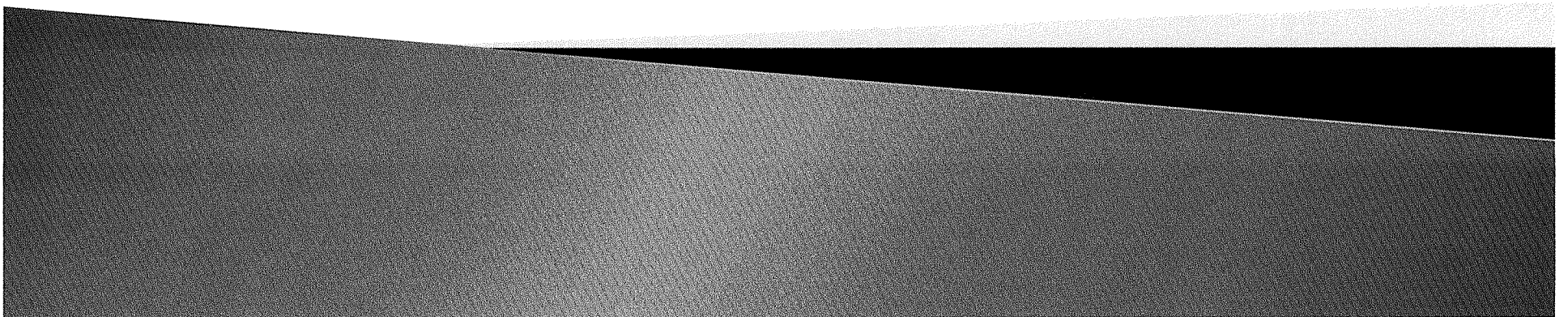
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BOARD ACTION: DATE \_\_\_\_\_ APPROVED AS RECOMMENDED \_\_\_\_\_ OTHER \_\_\_\_\_

MOTION \_\_\_\_\_ SECOND \_\_\_\_\_ UNANIMOUS \_\_\_\_\_  
 BRAND \_\_\_\_\_ HERZOG \_\_\_\_\_ LYLES \_\_\_\_\_ ROMAN \_\_\_\_\_ STRATFORD \_\_\_\_\_ TOSTE \_\_\_\_\_ WATERHOUSE \_\_\_\_\_



FY17 Budget  
Fresno County Zoo Authority  
January 25, 2017



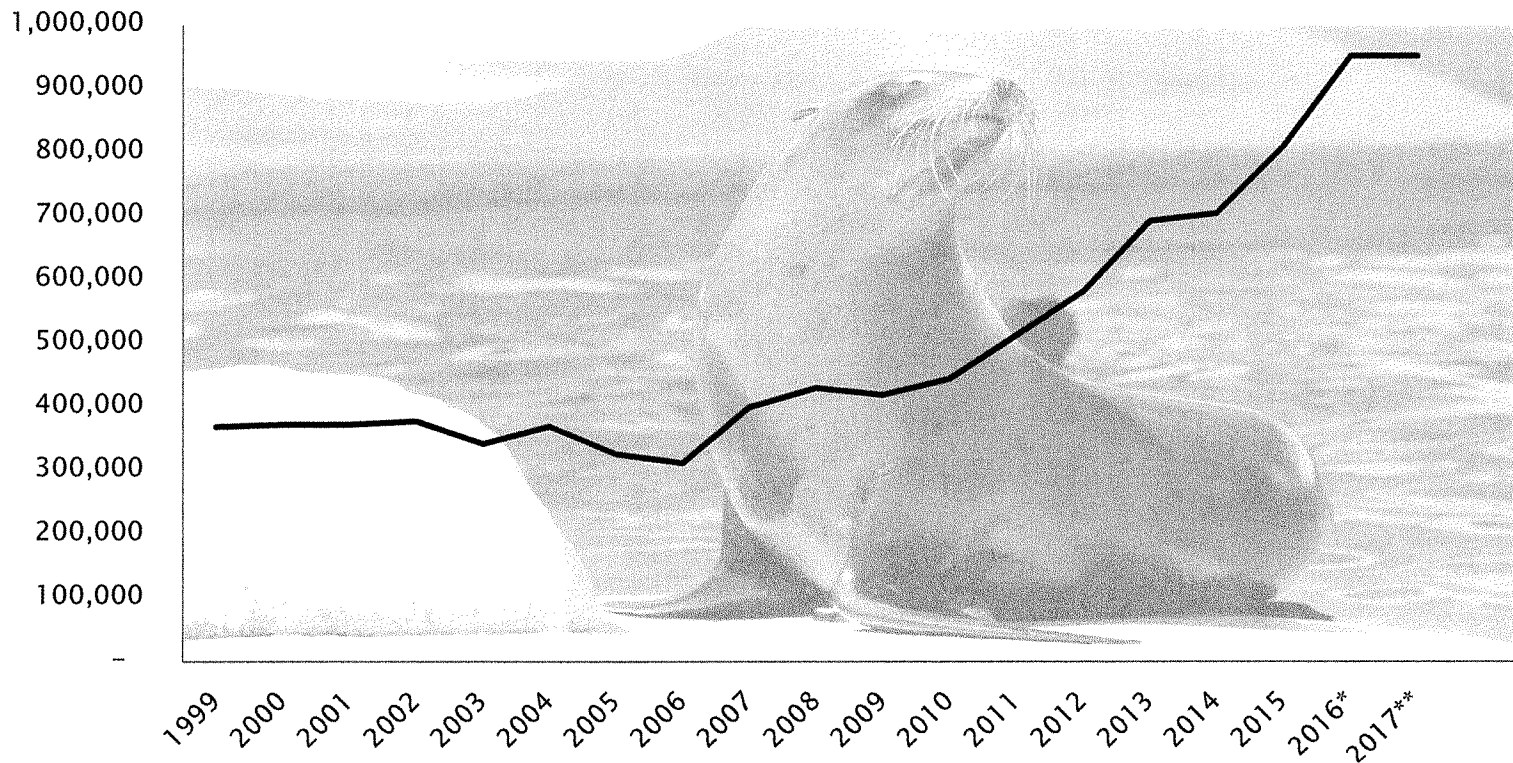
## Highlights for 2016

- ▶ African Adventure opened to the general public on October 15, 2015. Total attendance for October 1, 2015 – September 30, 2016 was 1,020,716, the first time in the zoo's history that over 1 million visited during a 12 month period.
- ▶ Group events/facility rental income is up 23% over 2015 revenue with 3 months remaining in 2016.
- ▶ Membership revenue exceeded \$1,000,000 for the first time in the zoo's history.
- ▶ Concession per caps were \$0.84 at the end of September, compared to \$0.51 at the end of 2015, a 65% increase.
- ▶ A lion cub was born on October 11, 2016, the first a lion has been born at FCZ since 1968.
- ▶ We are continuing our search for the Deputy Director position.



## Attendance

- 2017 budgeted attendance of 950,000
- 2016 budgeted attendance of 850,000
- 2016 yearend projection of 950,000
- Historical attendance figures:
  - 2015 – 808,914 + 15%
  - 2014 – 703,325 + 2%
  - 2013 – 691,320 + 18%



\* 2016 Projected

\*\* 2017 Budget

## 2017 Budget Assumptions

- 2017 projected attendance of 950,000.
- 2017 self generated revenue increases \$1.53M over 2016.
- Visitor Services resumed selling combo tickets in October and budget assumes they will continue to be sold throughout 2017. Adults save \$1 and children/seniors save \$1.50 over the total price of admission, giraffe feeding, and admission into Stingray Bay (excludes feeding stingrays).
- Giraffe feeding increases to \$3, the first increase in 10+ years. Guests currently get 2 pieces of lettuce for \$2. Budget assumes a \$1 increase to \$3 for which you will now receive 3 pieces of lettuce.
- Total operating expenses increase \$1.74M (13.6%) over 2016 approved budget. Personnel expenses increase \$910K (11.7%) and other expenses increase \$835k (16.8%) over 2016 approved budget.
- 2017 will add 6 full time staff and 5 part time positions, and 1 current FT positions are converting to managers. Including proposed positions, there will be a total of 142 full time positions and 87 part time positions in 2017.



**Fresno's Chaffee Zoo Corporation**  
**Income Statement**  
2017 Budget Proposal

	<b>FY17 Budget</b>	<b>FY16 Budget</b>	<b>FY16 Actual @ 9/30/16</b>	<b>FY15 Audited</b>
<b>REVENUE</b>				
<b>Self-Generated Revenue</b>				
Admissions	\$4,303,500	\$3,854,100	\$3,556,159	\$2,433,647
Adopt an Animal	\$40,000	\$40,000	\$23,195	\$32,690
Board Designated for Endow	\$50,000	\$50,000	\$26,358	\$12,679
Education	\$435,600	\$394,600	\$341,323	\$352,477
Food Services	\$741,000	\$450,500	\$661,386	\$410,571
Gift Shop	\$503,500	\$450,500	\$425,372	\$440,843
Giraffe Feeding	\$460,000	\$263,000	\$376,664	\$204,558
Grants/Fundraising	\$400,650	\$227,500	\$256,979	\$698,780
Group Event/Facility Rental	\$480,000	\$327,000	\$462,396	\$374,968
Interest Income	\$377,500	\$352,500	\$99,758	\$368,603
Investment Income	\$0	\$0	\$553,334	(\$459,079)
Membership	\$1,250,000	\$1,100,000	\$1,061,271	\$986,985
Special Events	\$736,500	\$736,000	\$253,446	\$633,935
Stingray Exhibit	\$351,000	\$357,000	\$259,525	\$304,128
Other	\$69,000	\$66,500	\$1,546,788	\$55,027
<b>Total Self-Generated Revenue</b>	<b><u>\$10,198,250</u></b>	<b><u>\$8,669,200</u></b>	<b><u>\$9,903,955</u></b>	<b><u>\$6,850,813</u></b>
Measure Z-Capital Funds	\$0	\$20,200	\$152,245	\$21,389,079
Measure Z Operating Funds	\$4,522,000	\$4,250,120	\$3,170,725	\$4,383,385
<b>TOTAL REVENUE</b>	<b><u>\$14,720,250</u></b>	<b><u>\$12,939,520</u></b>	<b><u>\$13,226,925</u></b>	<b><u>\$32,623,278</u></b>

**Fresno's Chaffee Zoo Corporation**  
**Income Statement**  
2017 Budget Proposal

	FY17 Budget	FY16 Budget	FY16 Actual @ 9/30/16	FY15 Audited
<b>EXPENSES</b>				
<b>OPERATING EXPENSES</b>				
<b>Personnel Expenses</b>				
Administration	\$1,027,088	\$824,768	\$527,802	\$702,910
Animal	\$3,329,896	\$3,185,826	\$2,133,995	\$2,323,373
Education	\$1,109,640	\$835,606	\$664,922	\$799,525
Maintenance/Horticulture	\$1,044,051	\$941,729	\$609,967	\$583,987
Mem/Dev/Marketing	\$775,318	\$679,859	\$484,527	\$587,535
Operations	\$100,129	\$212,341	\$73,070	\$11,846
Veterinary	\$403,330	\$353,984	\$278,230	\$283,647
Visitor Services	\$928,289	\$773,667	\$552,050	\$669,440
<b>Total Personnel Expenses</b>	<b>\$8,717,741</b>	<b>\$7,807,780</b>	<b>\$5,324,563</b>	<b>\$5,962,262</b>
<b>Other Expenses</b>				
Advertising	\$368,400	\$364,100	\$203,660	\$260,923
Animal Services	\$484,725	\$410,175	\$319,245	\$592,850
Computer/Software	\$68,530	\$60,685	\$37,385	\$40,549
Conservation	\$200,000	\$125,000	\$12,500	\$81,410
Contracted Services	\$681,800	\$528,650	\$502,269	\$515,880
Depreciation Expense	\$441,056	\$396,546	\$300,716	\$2,427,524
Dues	\$42,900	\$42,800	\$23,939	\$46,265
Equipment	\$264,430	\$207,529	\$141,735	\$216,086
Fleet	\$50,560	\$49,579	\$15,645	\$38,119
Food/Catering	\$302,150	\$193,050	\$232,680	\$213,561
Insurance	\$175,000	\$170,000	\$149,182	\$155,389
Miscellaneous Business	\$73,545	\$56,425	\$35,434	\$50,716
Office Supplies	\$32,450	\$27,270	\$25,004	\$31,831
Postage	\$68,545	\$65,946	\$38,935	\$59,193
Printing	\$201,317	\$155,340	\$101,381	\$197,788
Professional Services	\$209,500	\$225,500	\$149,430	\$235,710
Repairs and Replacements	\$337,050	\$372,400	\$174,878	\$312,706

**Fresno's Chaffee Zoo Corporation**  
**Income Statement**  
2017 Budget Proposal

	<u>FY17 Budget</u>	<u>FY16 Budget</u>	<u>FY16 Actual @ 9/30/16</u>	<u>FY15 Audited</u>
Service/Bank/Credit Card Fees	\$163,068	\$146,820	\$142,850	\$143,263
Signage	\$19,659	\$16,500	\$10,820	\$14,952
Specialized Services	\$41,800	\$27,500	\$36,259	\$32,183
Staff Development	\$194,266	\$110,587	\$86,331	\$66,949
Supplies	\$595,025	\$416,725	\$383,779	\$487,379
Telephone	\$51,550	\$44,550	\$36,079	\$49,763
Uniforms	\$42,800	\$40,230	\$20,673	\$43,702
Utilities	\$675,000	\$695,000	\$439,564	\$548,064
Other	\$25,575	\$27,125	\$24,699	\$23,974
<b>Total Other Expenses</b>	<u><b>\$5,810,701</b></u>	<u><b>\$4,976,032</b></u>	<u><b>\$3,645,070</b></u>	<u><b>\$6,886,728</b></u>
<b>TOTAL OPERATING EXPENSES</b>	<u><b>\$14,528,442</b></u>	<u><b>\$12,783,812</b></u>	<u><b>\$8,969,634</b></u>	<u><b>\$12,848,991</b></u>
<b>Expansion/Nonoperating Exp.</b>				
Expansion/Nonoperating Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,205</u>
<b>Total Expansion/Nonoperating Exp.</b>	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$6,205</b></u>
<b>TOTAL EXPENSES</b>	<u><b>\$14,528,442</b></u>	<u><b>\$12,783,812</b></u>	<u><b>\$8,969,634</b></u>	<u><b>\$12,855,196</b></u>
 <b>BEGINNING FUND BALANCE</b>	 <b>\$83,441,958</b>	 <b>\$79,578,940</b>	 <b>\$79,578,940</b>	 <b>\$59,810,858</b>
 <b>NET SURPLUS/(DEFICIT)</b>	 <b>\$191,808</b>	 <b>\$155,708</b>	 <b>\$4,257,292</b>	 <b>\$19,768,082</b>
 <b>ENDING FUND BALANCE</b>	 <b>\$83,633,766</b>	 <b>\$79,734,648</b>	 <b>\$83,836,232</b>	 <b>\$79,578,940</b>

Note: Beginning fund balance made up of cash, investments, accounts receivable, and other assets less accounts payable and accrued liabilities.

## 2017 Budget Revenue Increase Support

- ▶ 2016 admission prices increased for the first time in 12 years and as a result, membership prices increased as well. The opening of African Adventure resulted in a significant increase in attendance and household members. By the end of this year, combined admission and membership revenue are projected to exceed budget by \$575k.
- ▶ Concessions: African Adventure had a significant impact to concession revenue. 2017 budget \$291k over 2016 budget. 2016 per caps are \$0.84 at 9/30 compared to 2016 budgeted per cap of \$0.53. 2015 per cap was \$0.51.
- ▶ Education: revenue increases \$41k over 2016 (excluding giraffe feeding and Stingray Bay). Education interpretive guides are staffed not only in Stingray Bay and giraffe feeding, they also in Tropical Treasures, kangaroo walkthrough, and Valley Farms to provide an improved experience for zoo visitors.
- ▶ Giraffe feeding: new giraffe feeding platform incredibly popular. 2016 per cap of \$0.48 compared to budget of \$0.31. 2016 revenue at 9/30 is \$114k over 2016 budget with 3 months remaining. 2016 giraffe feeding revenue should surpass \$400,000.
- ▶ Group events/facility rental: revenue increase of \$153k over 2016. Projected 2016 revenue will exceed \$500k and although 2017 should exceed 2016 actual revenue, the budget takes a conservative approach for revenue. Unlike special events, there is no correlation between the number of facility rentals and total revenue.

## Operating Revenue

	<b>2017</b>	<b>2016</b>	<b>2016</b>	<b>2015</b>
	<b><u>Budget</u></b>	<b><u>Budget</u></b>	<b><u>@ 9/30/16</u></b>	<b><u>Audit</u></b>
<b>Attendance</b>	950,000	850,000	787,096	808,914
<b><u>Per Cap</u></b>				
Admissions	\$4.53	\$4.53	\$4.52	\$3.01
Concessions	\$0.78	\$0.53	\$0.84	\$0.51
Giraffe Feeding	\$0.48	\$0.31	\$0.48	\$0.25
Retail	\$0.53	\$0.53	\$0.54	\$0.54
Stingray Bay	\$0.37	\$0.42	\$0.33	\$0.38
<b><u>Revenue</u></b>				
Education	\$435,600	\$394,600	\$345,239	\$352,477
Group Events/Facility Rentals	\$480,000	\$327,000	\$462,396	\$374,968
Membership	\$1,250,000	\$1,100,000	\$1,061,271	\$986,985
Special Events	\$736,500	\$736,000	\$253,446	\$633,935

## 2017 Budget Expense Increase Support

	2016	2017	+/-	
<b>Total Operating Expenses</b>	<b>12,783,812</b>	<b>14,528,442</b>	<b>1,744,630</b>	<b>13.6%</b>
<b>Salary &amp; Benefits</b>	<b>7,807,780</b>	<b>8,717,741</b>	<b>909,961</b>	<b>11.7%</b>
Admin	824,768	1,027,088	202,320	2017 includes deputy director, minimum wage increases, and compensation review increases.
Animal	3,185,826	3,329,896	144,070	2017 includes 2 new FT and 3 new PT positions, minimum wage increases, and compensation review increases.
Education	835,606	1,109,640	274,034	2017 includes 2 new FT and 1 PT positions, minimum wage increases, and compensation review increases.
Maintenance/Horticulture	941,729	1,044,051	102,322	2017 includes 1 new FT and 1 new PT, minimum wage increases, and compensation review increases.
Mem/Dev/Mark/Events	679,859	775,318	95,459	2017 includes 1 new FT position, minimum wage increases, and compensation review increases.
Operations	212,341	100,129	(112,212)	2017 Deputy Director position now in Administration. 2016 was in operations and not budgeted for a full year.
Vet	353,984	403,330	49,346	
Visitor Services	773,667	928,289	154,622	2017 includes 1 new FT position, minimum wage increases, and compensation review increases.
<b>Animal Services</b>	<b>410,175</b>	<b>484,725</b>	<b>74,550</b>	
Animal Feed	360,000	400,000	40,000	2017 increase in feed cost
Animal Shipping	10,000	45,000	35,000	2017 budgeted includes 1/2 of transportation for 2 Asian elephants
<b>Conservation</b>	<b>125,000</b>	<b>200,000</b>	<b>75,000</b>	2017 increase represents ongoing annual commitment to conservation. AZA's goal is 3% of operating budget.
<b>Contracted Services</b>	<b>528,650</b>	<b>681,800</b>	<b>153,150</b>	
Consultant fees capital projects	-	25,000	25,000	Consultants time not allocated to a project
Contracted Services-maintenance	25,000	46,800	21,800	
Contracted Services-animal	10,000	22,500	12,500	
Contracted Services-events	35,000	49,000	14,000	
Contracted Services-visitor services	290,000	325,000	35,000	2017 bird show contract
Contracted Services-IT	40,000	55,000	15,000	Increase in number of computers under contract. Also added duplicate backup performed daily and stored offsite.
Security Services-events	12,100	22,900	10,800	

## 2017 Budget Expense Increase Support

	2016	2017	+/-	
<b>Depreciation</b>	<b>396,546</b>	<b>441,056</b>	<b>44,510</b>	
<b>Equipment</b>	<b>207,529</b>	<b>264,430</b>	<b>56,901</b>	
Equipment lease/rental	60,850	96,950	36,100	
Equipment purchases	38,000	52,500	14,500	
<b>Food/Catering</b>	<b>193,050</b>	<b>302,150</b>	<b>109,100</b>	
Food/catering-events	156,250	230,500	74,250	2017 increase related to growth in facility rental income and not enough budgeted in 2016
Food/catering-human resources	14,500	26,300	11,800	2017 holiday party and additional employee events
<b>Printing</b>	<b>155,340</b>	<b>201,317</b>	<b>45,977</b>	
Member newsletter	52,500	58,000	5,500	
Marketing	30,000	45,750	15,750	
Membership	18,000	22,000	4,000	
Development	10,000	18,000	8,000	
Education	7,800	14,201	6,401	
Visitor Services	-	3,141	3,141	
<b>Staff Development</b>	<b>110,587</b>	<b>194,266</b>	<b>83,679</b>	
Professional Development	-	30,000	30,000	Executive team coach
Prof. Dev-administration	13,000	18,500	5,500	
Prof. Dev-animal	27,750	46,500	18,750	Increase in staff
Prof. Dev-mark/mem/events	13,400	21,995	8,595	
Prof. Dev-operations	-	4,500	4,500	2017 new department
Prof. Dev-human resources	14,000	32,000	18,000	AZA Leadership
<b>Supplies</b>	<b>416,758</b>	<b>595,025</b>	<b>178,267</b>	
Janitorial supplies	75,000	115,000	40,000	Significant increase in attendance.
Display and Exhibit design-animal	49,500	150,000	100,500	Animal supplies and exhibit maintenance now in Display and Exhibit Design
Event supplies	56,300	44,150	(12,150)	
Supplies-animal	32,000	-	(32,000)	
Supplies-maintenance/horticulture	40,000	33,000	(7,000)	
Supplies-vet	37,000	130,000	93,000	Joint procedure on African elephant

## Expenses

### Personnel

- ▶ 2017 Salaries and Benefits: 60% of total operating expenses are salary and benefits (industry benchmark of 58% – 63%). 2016 budget was 58% and projected year-end is 57%.
- ▶ 2017 benefits (insurance, retirement, payroll taxes and workers' compensation) is 33% of total salaries. 2016 budget was 32%. 2016 budget was 32% and year-end was 28% due to onetime workers' compensation rebate of \$92,346 received in 2015.
- ▶ 2017: Health insurance premium increase quoted at 8.5%. Insurance brokers went to market for competitive pricing and will have results in 1–2 weeks.
- ▶ Other benefits: Excluding health insurance, benefit premiums are expected to increase slightly over 2016 rates and have very little impact on the budget. We are also looking at options to control increases such as partially self insuring dental. Should have more information in 1–2 weeks.
- ▶ Includes an increase of \$0.50/hour to minimum wage starting 1/1/17. Minimum wage will increase another \$0.50 on 1/1/18, and \$1.00/hour on 1/1/19, 1/1/20, 1/1/21 and 1/1/22.



## Staffing Changes\*

### Animal Department:

3 PT Assistant Zookeepers

2 FT Zookeepers

### Education:

FT Program Manager (promoting current position)

FT Education Presenter

Seasonal Receptionist

### Horticulture:

FT Horticulturalist

### Maintenance:

PT Custodian

### Security:

FT Zoo Ranger

### Special Events:

FT Events Set Up

## Staffing Changes

### Animal Department

Assistant Zookeepers (3): These part-time positions will free up time of primary zookeepers by performing basic animal husbandry, public presentations, and guest interactions.

Zookeeper Sea Lion Cove/Mammals: Additional position to fill in for short falls in staffing, increase training time, and fulfill dangerous shifting requirements.

Zookeeper Relief: Full-time position that will fill in for keepers in all animal departments that are on vacation and/or out sick.

### Maintenance/Horticulture

Custodial: Part-time custodian requested to meet demands of attendance growth and to reduce dependency of contracted custodial (overall savings to budget).

Horticulture: Full-time position allows for appropriate coverage to maintain standards while staff are off for vacation and sick time.

### Marketing/Events/Membership

Events Setup: Events Set up– with the increase in events this position will allow us to have more consistency within our event coordination and set up.

## Staffing Changes

### Education

Program Manager: With the growth in the department and increase in program demands, we would like to elevate the coordinator to a management position.

Education Presenter: Full-time Zoomobile presenter will provide a better and more consistent program while generating revenue for the zoo.

Receptionist: Seasonal receptionist position will help provide service in the spring and summer season. Allows proposed program manager to oversee the camp program, including staff, students and guests.

### Security

Zoo Ranger: Attracting and retaining part time rangers has proven to be difficult. We would like to add an additional full time person that will allow us to have more consistency within our coverage including our new overlap shift.

## Capital Request Detail

### Exhibits

Wolf holding expansion	30,000
SLC shade cloth	20,000
Renovate monkey string	60,000
Replace misting system in rainforest	35,000
POD/conservation building	180,000
New reptile exhibits	10,000
Renovate Asian elephant exhibit	75,000
Contingency	40,000
	<u>450,000</u>

### Buildings

Office remodel	15,000
Replace floors in hospital holding	6,000
Hospital paint	5,000
Contingency	4,000
	<u>30,000</u>

### Vehicles

Taylor Dunn	10,000
6 passenger cart	12,500
	<u>22,500</u>

### Equipment - Hospital

In-house chemistry analyzer	9,000
Nomad handheld radiograph generator	8,000
Cameras for patient monitoring	3,000
Miscellaneous	2,000
	<u>22,000</u>

### Belmont additional parking and crosswalk

Yamabe & Horn estimate	250,000
Required property improvements	25,000
	<u>275,000</u>

### **Total Capital Request**

**799,500**

## 2017 Measure Z Request

▶ **2017 Measure Z Operating Support Request: (2016 request was \$4,250,120)**

• Personnel Expenses:	
Animal	\$3,329,896
Veterinary Services	\$ 403,330
Operating Expenses:	
Animal Food	\$ 400,000
Utilities	\$ 388,654
• Bank Fees	<u>\$ 120</u>
<b>Total 2017 Operating Request</b>	<b>\$4,522,000</b>

▶ **Projected 2017 Measure Z Funding (excluding interest):**

	<b>2017 FCZ</b>
	<b>Projected Revenue</b>
Capital	\$ 9,032,691
Operating	\$ 4,516,278
Administration	<u>\$ 276,510</u>
<b>2016 Projected Proceeds</b>	<b>\$13,825,479</b>

## Measure Z continued

- 2017 Measure Z Operating Support Request:

2017 request:	\$ 4,522,000	Percent of 2017 operating budget: 31%
2016 request:	<u>\$ 4,250,120</u>	Percent of 2016 operating budget: 33%
Increase/(Decrease):	\$271,880	

- 2016 Projected Measure Z Operating:

Projected receipts to be collected – \$4,427,326  
Projected total claims – \$4,150,000  
Projected funds available – \$277,326

- 2015 Measure Z Operating recap:

Receipts collected – \$4,311,700  
Total claims – \$4,383,385  
2015 funds available – (\$73,685)

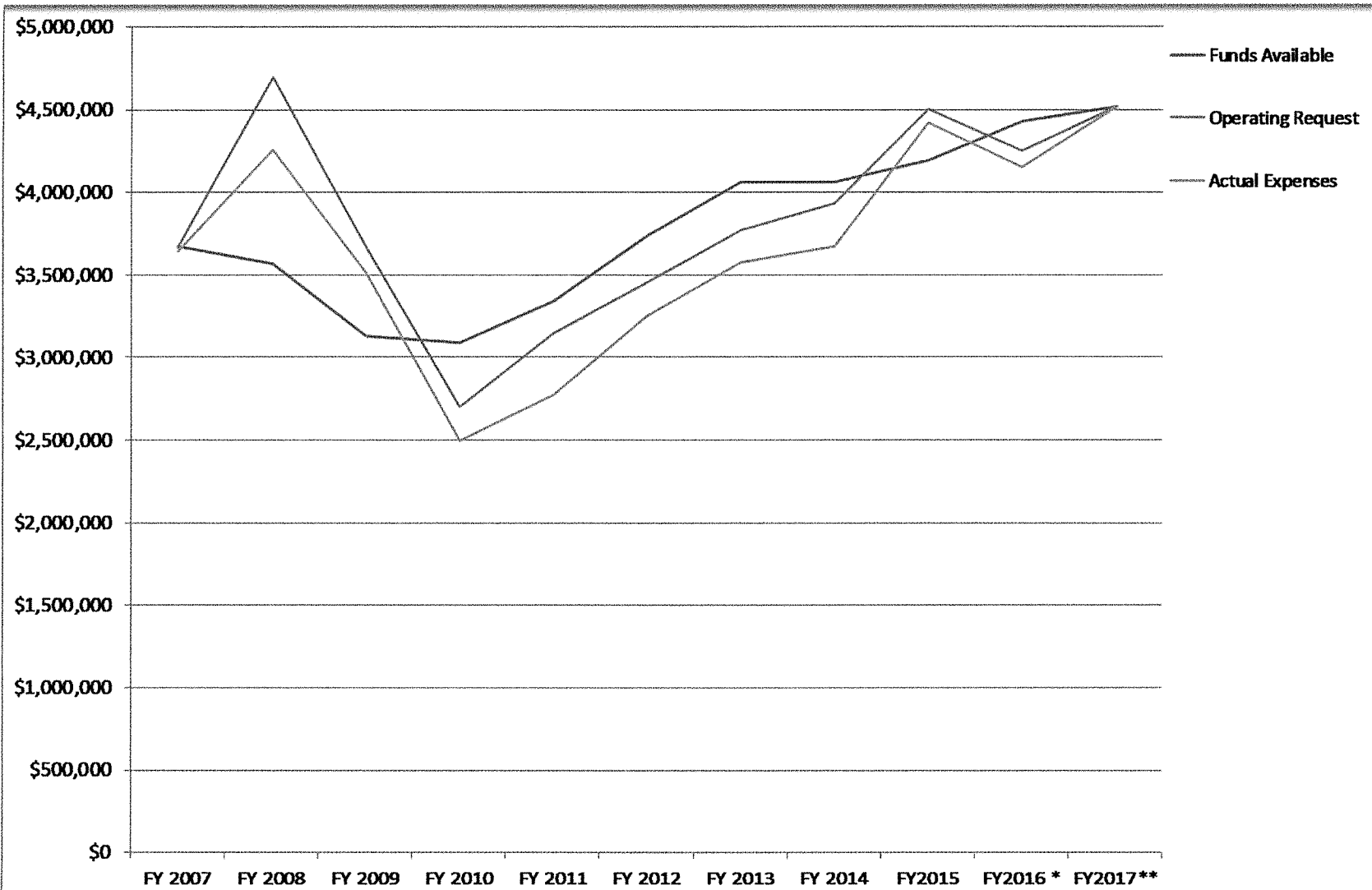
- Measure Z operating fund surplus of approximately \$6.1 million as of 9/30/2016.

All figures based on Zoo's fiscal year (January – December).

## Measure Z Revenue Summary of Tax Proceeds

	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Actual	2015-2016 Actual
July	\$819,900	\$813,500	\$671,700	\$659,300	\$719,800	\$826,000	\$903,500	\$864,900	\$900,800	\$952,000
August	1,093,200	1,084,700	885,300	857,600	921,200	1,033,100	\$1,106,000	\$1,149,600	\$1,201,100	\$1,269,300
September	1,060,279	930,087	810,940	895,691	1,057,603	1,028,369	\$1,097,605	\$1,199,226	\$1,408,037	\$1,181,071
October	853,500	792,200	678,000	677,000	694,100	850,500	\$857,400	\$879,100	\$911,400	
November	1,138,000	1,056,300	743,300	879,500	878,500	1,056,800	\$1,143,200	\$1,172,100	\$1,215,200	
December	827,112	872,815	971,061	932,350	1,240,028	1,083,021	\$1,076,977	\$1,147,219	\$1,306,493	
January	831,200	766,900	719,900	710,700	770,100	799,900	\$836,700	\$884,100	\$915,800	
February	1,108,200	841,000	944,000	919,900	978,600	1,086,700	\$1,101,200	\$1,178,800	\$1,221,000	
March	762,907	959,801	628,563	821,858	1,006,649	1,021,734	\$1,113,584	\$1,087,121	\$1,226,517	
April	699,000	652,000	594,300	618,400	716,100	846,500	\$788,000	\$804,100	\$819,500	
May	932,000	860,800	847,200	876,500	897,100	1,493,700	\$1,050,600	\$1,072,100	\$1,092,700	
June	<u>1,026,580</u>	<u>730,781</u>	<u>821,511</u>	<u>963,040</u>	<u>1,191,689</u>	<u>1,015,391</u>	<u>\$1,139,360</u>	<u>\$1,231,366</u>	<u>\$1,374,748</u>	
<b>Total</b>	<b><u>\$11,151,879</u></b>	<b><u>\$10,360,883</u></b>	<b><u>\$9,315,775</u></b>	<b><u>\$9,811,839</u></b>	<b><u>\$11,071,469</u></b>	<b><u>\$12,141,715</u></b>	<b><u>\$12,214,126</u></b>	<b><u>\$12,669,732</u></b>	<b><u>\$13,593,295</u></b>	<b><u>\$3,402,371</u></b>
Total received from inception							\$129,062,060			

## Measure Z Operating Funds



\* 2016 projected expenses

\*\* 2017 budgeted expenses.





DATE: January 25, 2017

TO: Fresno County Zoo Authority Board

FROM: Catherine Crosby  
Board Coordinator

RE: 2017 Measure Z Capital Funds Request

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RECOMMENDED ACTION(S):

Approve Fresno's Chaffee Zoo Corporation request for FY 2017 Measure Z Capital funds totaling \$670,031.45, including \$488,510.05 for a Storm Drain Pipeline Extension and \$181,521.40 for infrastructure work for the future Water Play Area.

FISCAL IMPACT:

Funds for these projects are being requested together to maximize the efficiency of time and contractors that are involved with both. Budgets will be separate so the proper expenditures can be charged to each project. Labeled "*Attachment B*" of the bid package provided to bidding contractors for the project, the *General Conditions* includes a retention amount of ten percent (Page 29, Section 8.2). (Attachment A)

DISCUSSION:

The overall scope of the storm water project includes the extension of the main storm drain pipeline from a location southeast of the main Fresno Chaffee Zoo administration office to Sea Lion Cove and basin located in the former City of Fresno corporation yard that is now being utilized by the Zoo. The budget for the full amount requested is seen on Attachment B, Page 1, *Project: Storm Drain Pipeline Extension*. Within the budget of the Storm Drain project under *Site Improvements* is the \$181,521.40 cost for *Storm Drain Extension to WPA* (Water Play Area).

Attachment C, Page 1, *Project: Water Play Area PHASE I only* further breaks out those project costs; the scope of which includes the construction of a custom 16,800 square

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BOARD ACTION: DATE \_\_\_\_\_ APPROVED AS RECOMMENDED \_\_\_\_\_ OTHER \_\_\_\_\_

MOTION \_\_\_\_\_ SECOND \_\_\_\_\_ UNANIMOUS \_\_\_\_\_  
BRAND \_\_\_\_\_ HERZOG \_\_\_\_\_ LYLES \_\_\_\_\_ ROMAN \_\_\_\_\_ STRATFORD \_\_\_\_\_ TOSTE \_\_\_\_\_ WATERHOUSE \_\_\_\_\_

foot water play area located within the Chaffee Zoo between the Jungle Bungalow and Dino Dig Exhibits, and Zoo's Main Concessionaire Stand and Restrooms. Phase I will allow the Zoo to begin underground infrastructure during a slow period to limit the impact to Zoo guests, and to utilize open trenches to start infrastructure work on Water Play Area.

ATTACHMENTS:

- A. Fresno Chaffee Zoo General Conditions
- B. Budget, proposals and estimates for Storm Water project
- C. Budget, proposals and estimates for Water Play Area



**General Conditions**

Dated: 10-31-2016

Storm Sewer Extension  
(Permit Nos. 14-0271)

at the

Fresno Chaffee Zoo

Project No. 130410

Located at

894 West Belmont Avenue

Fresno, California, 93728

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Attachment B

Article 1 DEFINITIONS

**Addendum** - A document issued by the PM during the bidding period that modifies or supersedes portions of the Contract Documents.

**Architect** - The person or organization, including the authorized representatives thereof, commissioned by the Owner to design the project. For projects on which an engineer or landscape architect is commissioned instead of an architect, the term "Architect" shall mean the design professional so commissioned for the project.

**Bid Date** - The day on which bid proposals for a project are opened.

**Bidder** - Any individual or business entity acting directly or through an authorized representative that submits a proposal for the work.

**Change Order** - A written agreement entered into after the award of the Contract that alters or amends the executed Contract.

**Cost Request Bulletin** - Request from the Owner to price a specific change. Work described in the Cost Request Bulletin shall not be performed until authorized by the PM.

**Construction Schedule** - The Contractor's time use plan for completing the Work within the Contract Time.

**Contract** - The Contract Documents which collectively represent the entire agreement between the Owner and the Contractor, and which supersede any prior negotiations, representations, or agreements either written or oral.

**Contract Documents** - The Bid Proposal Form, Notice to Contractors, bonds, insurance certificates, plans, specifications, addenda, Agreement, Contract General Conditions, Supplementary General Conditions, Special Conditions, and change orders.

**Contract Time** - The period of time, set out in calendar days, established in the Contract Documents within which the Work must be completed. The Contract Time may be adjusted by time extensions through Change Orders.

**Contractor** - The individual or business entity that has entered into this Contract with the Owner, and has been previously Approved through Fresno Chaffee Zoo Corporations annual prequalification procedure.

**Change Directive** - A written communication to the Contractor by the PM. The Change Directive may reject work, issue coordination communications, direct additional work or work under dispute.

**Owner** - The Fresno Chaffee Zoo Corporation

**Plans** - The drawings which include elevations, sections, details, material and equipment schedules, diagrams, information, notes, or reproductions or any of these, and which show the location, character, dimension, or details of the work.

**Prevailing Wages** - The general prevailing rate of wages identified by the Director of the Department of Industrial Relations of the State of California pursuant to section 1770 of the Labor Code.

**Progress Schedule** - The periodically updated Construction Schedule that reflects the actual progress of the work and impacts on the work thereby maintaining a current projected date of completion. Impacts on the work include, but are not limited to, anticipated delays, re-sequencing of tasks, and Change Orders.

**Project** - The total work required by the Contract.

**Project Manager (PM)** - The person delegated by the Owner to manage the construction project, and authorized to approve give direction to the Contractor making changes to the Contract.

**Site** - The area specified in the Contract for the project and the area made available for the Contractor's operation.

**Specifications** - The instructions and requirements which complement the plans and which describe the manner of performing the work or the quantities, qualities and types of materials to be furnished.

Attachment B

**Subcontractor** - Any individual or business entity that contracts with Contractor to furnish either labor and materials or equipment, or labor only.

**Superintendent** - The representative of the Contractor at the construction site, who is authorized to receive instructions from the PM, and who is authorized to direct the performance of the work on behalf of the Contractor.

**Supplier or Vendor** - Any individual or business entity that contracts with the Contractor to provide materials or equipment.

**Work** - That which is to be constructed or done under the Contract, including the furnishing of all labor, materials, and equipment.

Attachment B

**Article 2 BIDDING**

**2.1. Contractor's License**

No Bidder may bid on work for which it is not properly licensed. The Owner shall disregard any bid received from a Bidder who is not properly licensed (Business and Professions Code, section 7028.15). Nor will the Owner award a contract to a Bidder who does not possess the appropriate contractor's license, which is that specified in the Notice to Contractors. Joint venture Bidders must individually possess a current license when submitting the bid and the joint venture must possess a joint venture license at the time of award.

**2.2. Necessity for Careful Examination of Site, Plans, and Specifications**

The Bidder shall carefully examine the site and the plans and specifications for the project and shall investigate and be satisfied as to the conditions to be encountered, the character and quantity of surface and subsurface materials or obstacles to be encountered, rights of way and easements at or near the site, the work to be performed, materials to be furnished and as to the requirements of the proposal, plans, and specifications for the project. Bidder certifies that Bidder has complied with the requirements of this provision by the submission of its bid.

Any failure by the Bidder to acquaint itself with information that is available or with reasonable investigation may be available will not relieve it from responsibility to properly estimate the difficulty or cost to perform the work. Such examination does not require independent underground soils borings unless required elsewhere.

**2.3. Clarification During Bidding**

The Bidder shall examine the plans and specifications in preparing the bid and shall report to the PM any omissions, discrepancies, or apparent errors found in the plans and specifications. Before the date of bid opening, the Bidder shall submit a written request for clarification to the PM who may give such clarification in the form of an addendum to all Bidders if time permits. Otherwise, in estimating the cost of the project, the Bidder shall consider that any conflicts shall be governed by Article 5.1, Interpretation of Contract Requirements.

Bidders are advised that the time for submitting a proposed product as "an equal" is no later than 7 calendar days after the award of contract. Refer to Article 5.4.3, Alternatives or Equals.

Only the PM, in consultation with the Architect and/or Engineer, is authorized to answer questions or prepare addenda relative to the project. Information obtained verbally from any source has no contractual authority, may not be relied upon, and shall have no standing in any event that may occur.

**2.4. Bidding Documents**

**2.4.1. Bid Proposal Forms**

The bid shall be presented only on the standard 'Subcontractor Listing' Bid Proposal form provided in the bid documents. The bid shall be a guaranteed lump-sum amount for work completed as required by the Contract Documents and shall include license fees, sales tax, cost of insurance, and any other cost incidental to the work. The bid shall be executed by the Bidder, or authorized representative of the Bidder, and shall include the Bidder's name, address, and license number. The PM shall reject any proposal submitted that is not signed by the Bidder or by the Bidder's duly authorized representative. The PM shall reject any proposal submitted by a Bidder that has not been prequalified through Fresno Chaffee Zoo's annual prequalification process. The bid shall be irrevocable for a period of 30 days after the date of the bid opening.

**2.4.2. Listing of Proposed Subcontractors**

Each proposal shall have listed therein on the form provided by FCZ the name and location of the place of business of each subcontractor under proposed subcontract to the Contractor, which will perform work or labor or render services for the Contractor in excess of one-half of one percent of the Contractor's total bid. The proposal shall also state the portion of work or labor or rendition of services that each such subcontractor will do. If no subcontractor is listed or if more than one subcontractor is listed for the same portion of work the Bidder must be qualified to do the work and perform this work themselves. Within 24 hours after the deadline established for the receipt of bids, the apparent lowest and second lowest Bidders must submit a completed Expanded List of Subcontractors form, which contains more detailed information, such as complete subcontractor names and addresses, telephone numbers, license numbers, etc.

**2.4.3. Bidder's Security**

All bids shall be presented under sealed cover and have enclosed an amount equal to at least 10 percent of the total amount bid, including alternatives (if additive), as bid security. The bid security may be a cashier's check, or certified check made payable to the Owner, or a bidder's bond. No bid shall be considered unless



## Attachment B

one of these forms of bid security is enclosed therewith. If the bid security is a bond, a corporation authorized as an admitted surety to issue surety bonds in California, shall execute that bond.

### **2.5. Bid Proposals**

#### **2.5.1. Submission of Proposals**

Bidders shall submit bid proposals to the office indicated on the bid proposal. It is the Bidder's responsibility to see that its bid is received in the proper time. Delays in timely receipt of the bid caused by the United States mail system, independent carriers, acts of God, electronic communication failures, or any other cause shall not excuse late receipt of a bid. The PM shall return unopened any bid received after the time specified in the Notice to Contractors or in any addendum.

#### **2.5.2. Withdrawal of Proposals**

Any bid may be withdrawn at any time prior to the time fixed in the public notice for the opening of bids but only by a written request from the Bidder or its authorized representative filed with the PM. A request to withdraw a bid proposal orally, or by use of telegram or telephone is not acceptable. The withdrawal of a bid shall not prejudice the right of a Bidder to file a new bid. This paragraph does not authorize the withdrawal of any bid after the time fixed in the public notice for the opening of bids.

#### **2.5.3. Public Opening of Proposals**

Proposals will be publicly opened and read at the time and place stated in the Notice to Contractors. Bidders or their agents are invited to be present.

#### **2.5.4. Rejection of Irregular Proposals**

Proposals may be rejected if they show any alterations of forms, additions not called for, conditional bids, incomplete bids, erasures, or irregularities of any kind. If the bid amount is changed after the amount has been once inserted, the change shall be initialed.

#### **2.5.5. Power of Attorney or Agent**

When an agent signs the proposal, a power of attorney shall either be on file with the PM before the opening of bids or be submitted with the proposal. Failure to submit a power of attorney may result in the rejection of the proposal as irregular and unauthorized. A power of attorney is not necessary in the case of a general partner of a partnership.

#### **2.5.6. Waiver of Irregularities**

The Owner reserves the right to waive minor irregularities in proposals submitted.

### **2.6. Competitive Bidding**

If more than one proposal is offered by an individual or business entity or combination thereof, under the same or different names, all such proposals may be rejected. A party who has quoted prices on materials or work to a Bidder is not thereby disqualified from quoting prices to other Bidders, or from submitting a bid directly for the materials or work.

All Bidders are hereby notified that any collusive agreement fixing the prices to be bid so as to control or affect the awarding of this Contract may render void any Contract awarded under such circumstances. The Bidder, by act of submitting a bid, certifies that in the preparation of the bid, no bid was received by the Bidder from a bid depository, which depository, as to any portion of the work, prohibits, or imposes sanctions for, the obtaining by the Bidder, or the submission to the Bidder by any subcontractor or vendor or supplier of goods and services, of a bid outside the bid depository. The certification shall constitute a warranty, the falsity of which shall entitle the Owner to pursue any remedy authorized by law and shall include the right at the option of Owner of declaring any Contract made as a result thereof to be void.

### **2.7. Mistake in Bid**

A Bidder shall not be relieved of a bid without consent of the PM nor shall any change be made in a bid because of mistakes.

### **2.8. Failure to Be a Responsible Bidder**

In order to be considered for award of a Contract a Bidder must be a responsible Bidder, and have been previously prequalified through annual prequalification process. To be responsible, the Bidder, in the judgment of the Owner, must be sufficiently trustworthy and possessed of the requisite quality, fitness, capacity and experience to satisfactorily perform the work.

## Article 3 AWARD AND EXECUTION OF CONTRACT

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**3.1. Award of Contract**

If the Owner deems the acceptance of the lowest responsible bid or bids is not in the best interests of the Owner, the PM may reject all bids. If the Contract is awarded, it shall be to the lowest responsible Bidder. Such award shall be made within thirty calendar days after the opening of the proposals. If the lowest responsible Bidder refuses or fails to execute the Contract, the PM may award the Contract to the second lowest responsible Bidder. Such award shall be made within forty-five calendar days after the opening of proposals. If the second lowest responsible Bidder refuses or fails to execute the Contract, the PM may award the Contract to the third lowest responsible Bidder. Such award shall be made within sixty calendar days after the opening of the proposals.

**3.2. Return of Bidder's Security**

The Owner may withhold Bidder's security of the second and third lowest responsible Bidders until the Contract has been finally executed. The cashier's checks and certified checks submitted by all other unsuccessful Bidders shall be returned to them within ten (10) calendar days after the Contract is awarded, and their Bidder's bonds shall be of no further effect.

**3.3. Contract Bonds**

The successful Bidder shall furnish in two duplicate counterparts, two surety bonds in the form prescribed by the PM. Each shall be in an amount equal to 100 percent of the awarded Contract price and executed by an admitted surety insurer licensed in the State of California. One of the surety bonds shall guarantee faithful performance of the Contract by the Contractor and the other shall secure payment of laborers, mechanics, and/or material suppliers employed on the project. Such bonds are subject to the approval of the PM. Contract bonds shall remain in full force and effect during the term of the Contract including the one-year guarantee period, unless a longer bond period is stipulated in the Contract Documents.

All alterations, extensions of time, extra and additional work, and other changes authorized by any part of the Contract, including determinations made under Article 7.1 Claims, shall be made without securing the consent of the surety or sureties on the Contract bonds.

Riders or modifications of any kind on Bidders bonds, performance bonds and payment bonds are not acceptable and may result in Bidder's disqualification as nonresponsive.

**3.4. Execution of Contract**

Within seven calendars days of receiving the Contract from the PM the Contractor will sign and return the Contract, with the requisite bonds and insurance certificates to the PM.

When the Contract has been fully executed, the PM will issue to the Contractor a Notice to Proceed. The Contractor may not begin work before receiving the PM's written Notice to Proceed. Any work performed by the Contractor before receipt of the Notice to Proceed shall be considered as having been done at the Contractor's own risk.

**3.5. Failure or Refusal to Execute Contract**

Failure or refusal by the Bidder to execute the Contract within the time set in Article 3.4 shall be just cause for the rescission of the award and the forfeiture of the Bidder's security. Failure or refusal to file acceptable bonds within the time set in Article 3.4 constitutes a failure or refusal to execute the Contract. If the successful Bidder fails or refuses to execute the Contract, the PM may award the Contract as set forth in Article 3.1, Award of Contract. On the failure or refusal of the second or third lowest responsible Bidder to execute the Contract, Bidder's security in each case shall be forfeited.

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**Article 4 CONDUCT OF THE WORK**

**4.1. Work Restrictions**

The Fresno Chaffee Zoo is a family environment and some construction areas will be viewable by our guests. To ensure a great, family friendly experience for our guests:

- Shirts must be worn at all times;
- Shirts and hats should not have any inappropriate or controversial language;
- We are a no smoking facility; if necessary, an off-exhibit smoking area will be determined;
- Construction employees must follow security guidelines, keeping gates closed and not accessing areas of the zoo not related to the construction process;
- When sharing space with zoo guests (moving materials, vehicles, etc.), guests have the right-of-way.

The Contractor is required to enforce these requirements at all times and if any suppliers, subcontractors, employees, and/or field engineers are found to be in violation of these requirements they shall be removed from the site immediately.

The Fresno Chaffee Zoo's hours of operation are from 9:00 am until 4:00 pm. No loud or disruptive work will be allowed at the site while the Zoo is open to the public. Examples of loud and disruptive work include but are not limited to:

- Demolition work
- Excavation by mechanical means
- Placement of concrete
- Operating power actuated anchoring equipment
- Drilling with a rotary hammer

The Owner will be the final authority deciding whether or not a particular activity is disruptive.

Pedestrian pathways around the construction Site must remain open at all times when the Zoo is open to guests. No obstruction of these pathways will be allowed including power cords, hoses, parked vehicles or equipment. All deliveries must be performed between 5:00 pm and 7:00 am.

The Contractor shall cooperate with the Zoo to minimize interference with the daily operation of the Zoo and to facilitate unrestricted management of the Zoo events. Preparation for events may restrict the Contractor's access to the work in advance and on the date of the event. Contractor shall confirm the schedule of events on a weekly basis.

The Contractor is responsible for site security and safety throughout the duration of the contract until Final Acceptance by the Owner.

The Contractor shall clean up its work daily and at other times when directed by the PM. At all times while finish work is underway floors shall be kept broom clean. Upon completion of the work, the Contractor shall promptly remove from the premises construction equipment and any waste materials not previously disposed of, leaving the premises thoroughly clean and ready for occupancy.

In the event the Contractor does not maintain the project or the site clear of debris and rubbish in a manner acceptable to the Owner the Owner will cause the project or site to be properly cleaned and will withhold the expense incurred from payments due the Contractor.

**4.2. Laws to be Observed--Generally**

The Contractor shall observe all state and federal laws that affect the work under this Contract. The Contractor shall hold harmless, defend and indemnify the Owner against any claim(s) arising from the violation of any law, whether by itself or its agents, employees or subcontractors. If a conflict arises between the provisions of this Contract and a law, the Contractor shall immediately notify the Owner in writing. "Law" as used in this paragraph includes statutes and regulations adopted pursuant to statute, as well as executive orders, authoritative interpretations, and other rules and directives issued by legally constituted authority. The Contractor's work under this Contract shall comply with the building codes identified in the Contract Documents.

During the performance of the Contract, the Contractor and its subcontractors shall not deny the Contract's benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age (over 40) or sex. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

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Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the Owner upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours notice, to such of its books, records, accounts, other sources of information, and its facilities as said Department or Owner shall require to ascertain compliance with this clause.

**4.3. Prevailing Wage**

The Work under this Contract is publicly funded through Fresno County Measure Z and must be performed in accordance with the requirements of Title 8 California Code of Regulations sections 16000 to 17270, which govern the payment of prevailing wage rates on publicly funded projects. The prevailing wage rates set forth are the minimum that must be paid by the Contractor on this project. Nothing herein contained shall be construed as preventing the Contractor from paying more than the minimum rates set forth. No extra compensation whatsoever will be allowed by the Owner due to the inability of the Contractor to hire labor at minimum rates, nor for the necessity for payment by the Contractor of subsistence, travel time, overtime, or other added compensations, all of which possibilities are elements to be considered and ascertained to the Contractor's own satisfaction in preparing the bid.

If it becomes necessary to employ crafts other than those listed, the Contractor shall notify the PM immediately, and the PM will ascertain additional prevailing rates and the rates thus determined shall be applicable as minimum from time of initial employment.

The Director of the Department of Industrial Relations has ascertained the general prevailing rate of per diem wages and the general prevailing rate for legal holiday and overtime work for each craft needed in execution of the Contract.

The Contractor and subcontractors shall keep an accurate payroll record on forms provided by the Division of Labor Standards Enforcement (or shall contain the same information as the forms provided by the division). The payroll records may consist of printouts of payroll data that are maintained as computer records, if the printouts contain the same information as the forms provided by the division, and the printouts are verified in the manner specified herein. Payroll records shall show the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and actual per diem wages paid to each journeyman, apprentice or worker employed in connection with the public work. Each payroll record shall contain verification by written declaration under penalty of perjury that the information contained in the payroll record is true and correct.

The Contractor's and subcontractor's payroll records shall be available for inspection at all reasonable hours, and a certified copy shall be made available upon request to the employee or his or her authorized representative and the Owner. Upon receipt of written notice from the PM and within ten days of that receipt, the Contractor shall file with the requesting entity a certified copy of the payroll records. Should the Contractor or subcontractor fail to comply within the ten-day period, the Contractor or subcontractor shall forfeit \$25 for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. These penalties shall be withheld from progress payments then due. Contractor is not subject to a penalty assessment due to the failure of a subcontractor to comply with this section.

**4.4. Workers' Compensation**

The Contractor shall be required to secure payment of Workers' Compensation to its employees in accordance with Labor Code section 3700 and shall file with the PM prior to performing the work the certification required in Labor Code section 1861 (refer also to Article 4.8, Contractor's Insurance).

**4.5. Occupational Safety and Health**

The Contractor shall comply with all the provisions of the Federal Occupational Safety and Health Act of 1970 (29 U.S.C. section 651 *et seq.*) and all rules, regulations, and orders adopted pursuant thereto. The Contractor shall comply with all the provisions of the California Occupational Safety and Health Act of 1973 (Labor Code section 6300 *et seq.*) and all rules, regulations and orders adopted pursuant thereto. These laws provide for job safety and health protection for workers.

The Contractor shall obtain copies of such safety orders as are applicable to the type of work to be performed and shall be governed by their requirements in all construction operations. The Contractor shall fully inform each subcontractor and materials supplier as to the requirements of the applicable safety orders.

**4.6. Environmental Requirements****4.6.1. Air and Water Pollution Control**

The Contractor shall comply with all air and water pollution control rules, regulations, ordinances and statutes which apply to the work performed under the Contract, including any air pollution control rules,

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regulations, ordinances and statutes adopted under the authority of section 11017 of the Government Code. Contractor must be eligible to perform work in California, and is deemed eligible if not found to be in violation of any order, resolution, or regulation relating to air or water pollution adopted in accordance with Government Code section 4477.

In the absence of any applicable air pollution control rules, regulations, ordinances or statutes governing solvents, all solvents, including but not limited to the solvent portions of paints, thinners, curing compounds, and liquid asphalt used on the project, shall comply with the applicable material requirements of the Air Quality Management District (AQMD). All containers of solvent, paint, thinner, curing compound or liquid asphalt shall be labeled to indicate that the contents fully comply with these requirements.

Unless otherwise provided in the special provisions, material to be disposed of shall not be burned either inside or outside the premises.

A regular watering program shall be initiated to adequately control the amount of fugitive dust in accordance with applicable AQMD rules. Exposed soil surfaces shall be sprayed with water at least daily and as needed to mitigate dust (see also Article 4.10.3).

Trucks hauling dirt from the site shall be covered in accordance with applicable state and local requirements. To reduce exhaust emissions, unnecessary idling of construction vehicles and equipment shall be avoided.

### 4.6.2. Sound Control Requirements

The Contractor shall comply with all sound control and noise level rules, regulations and ordinances which apply to the work. In the absence of any such rules, regulations and ordinances, the Contractor shall conduct its work to minimize disruption to others due to sound and noise from the workers, and shall be responsive to the PM's requests to reduce noise levels.

Each internal combustion engine, used for any purpose on the project or related to the project, shall be equipped with a muffler of a type recommended by the manufacturer. No internal combustion engine shall be operated on the project without a muffler. Construction equipment shall be fitted with modern emission control devices and shall be kept in proper tune.

Loading and unloading of construction materials will be scheduled so as to minimize disruptions to the Owner's activities. Construction activities will be scheduled to minimize disruption to the Owner and to Fresno Chaffee Zoo guests.

### 4.6.3. Environmental Clearances

The Contractor shall provide to state and federal agencies all information necessary for environmental clearances and other authorizations necessary for this project. The Contractor shall comply with the provisions, including giving notices during construction when so required. The Contractor shall not be compensated for the delays in obtaining environmental clearances and authorizations; however, an appropriate extension of time will be granted in accordance with the provisions in Article 4.16.7, Adjustment of Contract Time Due to Reasons Beyond Owner's Control, if the Contractor demonstrates to the satisfaction of the PM that it has made every reasonable effort to obtain the requisite clearance or authorizations, and cannot obtain it in a timely manner.

### 4.6.4. Archaeological Finds

If the Contractor discovers any artifacts during excavation and/or construction, the Contractor shall stop all affected work and notify the PM, who will call in a qualified archaeologist designated by the California Archaeological Inventory to assess the discovery and suggest further mitigation, as necessary.

If the Contractor discovers human remains, the Contractor shall notify the PM who will be responsible for contacting the county coroner and a qualified archaeologist. If the remains are determined to be Native American, the PM shall contact the appropriate tribal representatives to oversee removal of the remains.

### 4.7. Substitution of Subcontractors

The Contractor shall not substitute any subcontractor in place of a subcontractor listed in its bid proposal except as authorized by the PM.

#### 4.7.1. Bond Requirements

The Contractor must clearly advertise the specific bond requirements for the project, including the requirement of a bond, the kind of a bond, and the amount of the bond, in order to be eligible to substitute a

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subcontractor.

4.7.2. Subcontractor Status Report

When requested by the PM, the Contractor shall submit a Subcontractor Status Report that will be compared with the Expanded List of Subcontractors. If any subcontracts are still outstanding at the time of submittal, a follow-up request will be made. If any listed firms have been substituted without approval by the PM or if subcontractors are added and perform work in excess of one-half of one percent of base Contract, penalties in the amount of 10% of the amount of the subcontract involved will be assessed and deducted from the contract amount.

**4.8. Delegation of Performance and Assignment of Money Earned**

The performance of all or any part of this Contract may not be delegated without the written consent of the PM. Consent will not be given to any proposed delegation that would relieve the Contractor or its surety of their responsibilities under the Contract.

The Contractor may assign moneys due or to become due under the Contract, only upon written consent of the PM. Assignments of moneys earned by the Contractor shall be subject to proper retention in favor of the Owner and to all deductions provided for in the Contract and such moneys shall be subject to being used by the Owner for the completion of the work in the event the Contractor is in default.

**4.9. Contractor's Insurance**

The Contractor shall not commence work until it has obtained all the insurance required in this Article, and such insurance has been approved by the PM.

4.9.1. Policies and Coverage.

The Contractor shall obtain and maintain the following policies and coverage:

Comprehensive or Commercial Form General Liability Insurance, on an occurrence basis, covering work done or to be done by or on behalf of the Contractor and providing insurance for bodily injury, personal injury, property damage, and contractual liability. The aggregate limit shall apply separately to the work.

Business Automobile Liability Insurance on an occurrence basis, covering owned, hired, and non owned automobiles used by or on behalf of the Contractor and providing insurance for bodily injury, property damage, and contractual liability. Such insurance shall include coverage for uninsured and underinsured motorists

Worker's Compensation including Employers Liability Insurance as required by law.

4.9.2. Verification of Coverage

The Contractor shall submit original certificates of insurance and endorsements to the policies of insurance required by the Contract to the PM as evidence of the insurance coverage. The certificates of insurance and endorsements shall provide for no cancellation or modification of coverage without thirty (30) days written notice to the PM. Renewal certifications and endorsements shall be timely filed by the Contractor for all coverage until the work is accepted as complete. The Owner reserves the right to require the Contractor to furnish complete, certified copies of all required insurance policies.

4.9.3. Insurance Provisions

Nothing in these insurance provisions shall be deemed to alter the indemnification provisions in Article 4.9. The insurance policies shall contain, or be endorsed to contain, the following provisions.

For general and automobile liability policies, the Owner, their officers, employees, representatives, volunteers, and agents. Any insurance or self-insurance maintained by the Owner, their officers, employees, representatives, volunteers, and agents are to be cover as additional insureds.

For any claims related to the work, the Contractor's insurance coverage shall be primary insurance as respects the Owner, their officers, employees, representatives, volunteers, and agents. Any insurance or self-insurance maintained by the Owner, their officers, employees, representatives, volunteers, and agents shall be in excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this Article shall state that coverage shall not be canceled by either the Contractor or the insurance carrier, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Owner.

The Owner, their officers, employees, representatives, volunteers, and agents shall not by reason of their

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inclusion as additional insured incur liability to the insurance carriers for payment of premiums for such insurance.

4.9.4. Amount of Insurance

For all projects, the insurance furnished by Contractor under this Article shall provide coverage in amounts not less than the following:

Comprehensive or Commercial Form General Liability Insurance--Limits of Liability shall be \$2,000,000 General Aggregate and \$1,000,000 Each Occurrence--combined single limit for bodily injury and property damage.

Business Automobile Liability Insurance-Limits of Liability; \$1,000,000 Each Accident-- combined single limit for bodily injury and property damage to include uninsured and underinsured motorist coverage.

Workers' Compensation limits as required by law with Employers Liability limits of \$1,000,000.

4.9.5. Acceptability of Insurers

Insurers shall be licensed by the State of California to transact insurance and shall hold a current A.M. Best's rating of A:VII, or shall be a carrier otherwise acceptable to the Owner.

4.9.6. Subcontractor's Insurance

Contractor shall ensure that its subcontractors are covered by insurance of the types required by this Article, and that the amount of insurance for each subcontractor is appropriate for that subcontractor's work. Contractor shall not allow any subcontractor to commence work on its subcontract until the insurance has been obtained.

4.9.7. Miscellaneous.

Any deductible under any policy of insurance required in this Article shall be Contractor's liability.

Acceptance of certificates of insurance by the Owner shall not limit the Contractor's liability under the Contract.

In the event the Contractor does not comply with these insurance requirements, the Owner may, at its option, provide insurance coverage to protect the Owner. The cost of the insurance shall be paid by the Contractor and, if prompt payment is not received, may be deducted from Contract sums otherwise due the Contractor.

If the Owner is damaged by the failure of Contractor to provide or maintain the required insurance, the Contractor shall pay the Owner for all such damages.

The Contractor's obligations to obtain and maintain all required insurance are non-delegable duties under this Contract.

**4.10. Indemnification**

Nothing in these indemnification provisions shall be deemed to alter the insurance provisions in Article 4.8.

The Contractor shall hold harmless, defend, and indemnify the Owner, and the officers, employees, representatives and agents of each of them, from and against all claims, damages and losses arising out of, resulting from, or relating to (1) the failure of the Contractor to perform its obligations under the Contract or the performance of its obligation in a willful or negligent manner; (2) the inaccuracy of any representation or warranty by the Contractor given in accordance with or contained in the Contract Documents; and (3) any claim of damage or loss by any subcontractor, or supplier, or laborer against the Owner arising out of any alleged act or omission of the Contractor or any other subcontractor, or anyone directly or indirectly employed by the Contractor or any subcontractor.

The Contractor shall hold harmless, defend, and indemnify the Owner, and its officers, employees, representatives and agents from and against all claims, damages and losses arising out of, resulting from, or relating to the negligent acts or omissions or willful misconduct of the Contractor, a subcontractor, or anyone directly or indirectly employed by either of them, or anyone for whose acts either of them may be liable. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in Article 4.9.1, following. Such obligation shall, however, apply in proportion to and to the extent that any such losses result from the negligent acts or omissions by an employee of the Contractor, a subcontractor, or a person indirectly employed by the Contractor or a subcontractor, or anyone for whose acts either may be liable.

In claims against any person or entity indemnified under this Article made by an employee of the Contractor or a subcontractor, or indirectly employed by either of them, or anyone for whose acts either may be liable, the

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indemnification obligation under this Article shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for the Contractor or a subcontractor under workers compensation laws, disability benefit laws, or other laws providing employee benefits.

The indemnification obligations under this Article shall not be limited by any assertion or finding that the person or entity indemnified is liable by reason of a non-delegable duty.

The Contractor shall hold harmless, defend, and indemnify the Owner, and its officers, employees, representatives and agents from and against all claims, damages and losses resulting from any claim of damage made by any separate contractor of the Owner against the Owner arising out of any alleged acts or omissions of the Contractor, a subcontractor, anyone directly or indirectly employed by either the Contractor or subcontractor, or anyone for whose acts either the Contractor or subcontractor may be liable.

The Contractor shall hold harmless, defend, and indemnify the separate contractors of the Owner, and its officers, employees, representatives and agents from and against all claims, damages and losses arising out of the negligent acts or omissions or willful misconduct of the Contractor, a subcontractor, anyone directly or indirectly employed by the Contractor or subcontractor, or anyone for whose acts the Contractor or subcontractor may be liable. The Owner shall cause a reciprocal indemnification provision in favor of the Contractor to be included in its contracts with separate contractors of the Owner. Liability for any negligent act or omission or willful misconduct shall be apportioned pursuant to the applicable law of the State of California.

**4.11. Contractor's Responsibility for the Work**

The Contractor shall be responsible for all work performed under this Contract, and no subcontractor will be recognized as such. For purposes of assessing responsibility to the Contractor, all persons engaged in the work shall be considered employees of the Contractor. The Contractor shall give its personal attention to the fulfillment of the Contract and keep all phases of the work under its control.

The Contractor shall create report of construction activities occurring each day, and include a listing of all subcontractors of all tiers and the numbers of workers for each that are on site each day, briefly describing the Work the subcontractors are performing. Each subcontractor shall create report of construction activities occurring each day, and include a listing of all subcontractors of all tiers and the numbers of workers for each that are on site each day, briefly describing the Work the subcontractors are performing. Contractor and every subcontractor shall submit these reports to the PM weekly. At the end of the Project the Contractor shall submit to the PM a complete listing of all subcontractors, suppliers and other businesses that performed Work on the Project.

The PM nor the Owner will arbitrate disputes among subcontractors or between the Contractor and one or more subcontractors concerning responsibility for performing any part of the project.

**4.11.1. Quality Control**

The Contractor shall be fully responsible for the quality of materials and workers' skill in the project. The Contractor shall not rely upon the inspection and testing provided by the Owner other than those special inspections and tests performed by the Owner's selected laboratories for which there are written reports.

**4.11.2. Burden for Damage**

From the issuance of the official notice to proceed until the formal acceptance of the project by the Owner, the Contractor shall have the charge and care of and shall bear the risk of damage to the project and materials and equipment for the project.

The Contractor, at its own expense, shall promptly rebuild, repair, restore, and make good all such damage to any portion or to all of the project and materials therefore before the acceptance of the project by the Owner except for such damage as is proximately caused by acts of the federal government or public enemy. In case of suspension of work from any cause whatever, the Contractor shall be responsible for all materials, and shall properly store them, if necessary, and shall provide suitable drainage and erect temporary structures where necessary.

If the Contractor damages any property belonging to the Owner, the Owner may, in addition to other remedies available to the Owner, retain from the money due to the Contractor an amount sufficient to ensure repair of the damage or an amount to contribute toward repair of the damage.

The Owner, nor the officers, employees, representatives, nor agents of each of them shall be responsible for



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any damage to the project and materials and equipment for the project.

### 4.11.3. Protection of Facilities

From the issuance of the official Notice to Proceed until the formal acceptance of the project by the Owner, the Contractor shall protect the Site and Work from theft, acts of malicious mischief, vandalism and unauthorized entry. During all hours that Work is not prosecuted, Contractor shall furnish such watchman's services as necessary to safeguard materials and equipment in storage on the Project site, including Work in place or in process of fabrication, against theft, acts of malicious mischief, vandalism and other losses or damages. The Contractor shall be liable for any loss or damage that result from its failure to protect the Site and the Work.

The Contractor shall protect adjoining property and nearby buildings, roads, and other facilities and improvements from dust, dirt, debris and other nuisances arising out of Contractor's operations or storing practices. Dust shall be controlled by sprinkling or other effective methods acceptable to Owner. An erosion and sedimentation control program shall be initiated, which includes measures addressing erosion caused by wind and water and sediment in runoff from site. A regular watering program shall be initiated to adequately control the amount of fugitive dust in accordance with applicable Air Quality Management District (AQMD) rules (see also Article 4.5.1, Air and Water Pollution Control).

### 4.11.4. Safety

The Contractor shall exercise precaution at all times for the protection of persons and their property. The Contractor shall install adequate safety guards and protective devices for all equipment and machinery, whether used in the work or permanently installed as part of the project. The Contractor shall also provide and adequately maintain all proper temporary walks, roads, guards, railings, lights, and warning signs. The Contractor shall comply with all applicable laws relating to safety precautions, including the safety regulations of the California Division of Industrial Safety. Unless the Contractor designates other employees, its superintendent shall have the duty of prevention of accidents. The Contractor shall institute a safety program that includes all trades on the site.

Renovation, expansion, or remodel work of any existing building may expose workers to lead-containing materials such as paint, flashings, and pipe joints. The Contractor shall comply with all applicable laws addressing such exposure, including the Cal/OSHA Lead in Construction Standards (Title 8, California Code of Regulations, section 1532.1).

The PM may bring to the attention of the Contractor a possible hazardous situation in the field regarding the safety of personnel on the site. The Contractor shall be responsible for verifying the observance of all local, state, and federal workplace safety guidelines. In no case shall this right to notify the Contractor absolve the Contractor of its responsibility for monitoring safety conditions. Such notification shall not imply that anyone other than the Contractor has assumed any responsibility for field safety operations.

Explosives shall not be used without first obtaining written permission from the PM and then shall be used only with the utmost care and within the limitations set in the written permission and in accordance with prudence and safety standards required by law. Storage of explosives on the project site is prohibited. Powder activated tools are not explosive for purposes of this Article; however, such tools shall only be used in conformance with State safety regulations.

In the event of an accident, the Contractor shall make available to the PM copies of its accident report to its insurance carrier. The Contractor shall determine the cause of the accident and immediately correct any equipment, procedure, or condition contributing to the accident.

### 4.11.5. Utilities

Contractor is responsible to notify all Utility companies (811/USA DIG hotline, etc.) within industry standard timelines prior to commencing any underground work activities onsite, and shall furnish all such evidence including ticket numbers in writing to PM. If the Contractor discovers utility facilities not identified in the Contract Documents, the Contractor shall immediately notify the PM and the utility involved, in writing, of such discovery. When the Contractor is required by the plans and specifications to locate, remove and/or relocate utility facilities not identified in the Contract Documents with reasonable accuracy, it shall be compensated for any reasonable actual added cost incurred. The Contractor shall also be compensated for the cost of repairing any damage resulting from the discovery of such unidentified utility facility when such damage does not result from the failure of the Contractor to exercise reasonable care. All such compensation to the Contractor shall be based on an actual cost plus Contractor and subcontractor mark-up, as identified in

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Article 6.3, Allowable Costs Upon Change Orders, except that both the Contractor and subcontractor mark-up shall be reduced by six (6) percent each, where the damage results from the failure of the Contractor or subcontractor to exercise reasonable care. The Owner or the public utility, where it is the owner of the utility facilities, shall have the sole discretion to perform repairs or relocation work, or permit the Contractor to do such repairs or relocation work at a reasonable price, where such work is required to facilitate the project. The Contractor shall not be assessed liquidated damages for delay in the completion of the project which is caused by failure of the Owner or the owner of the utility to provide for removal or relocation of such unidentified utility facilities.

With the exception of the identification of main or trunk line utility facilities in the Contract Documents, the foregoing provisions shall not apply to, and Owner shall have no obligation to indicate, the presence of existing service laterals or appurtenances whenever the presence of such utilities on the site of the project can be inferred from the presence of other visible facilities, such as buildings, meter and junction boxes, on or adjacent to the site of the construction.

Except as expressly provided in above, the Contractor shall be responsible at its own cost for all work, expense, or special precautions caused by the existence or proximity of utilities encountered at the site or in the performance of the project work including, without limitation, repair of any damage that may result including any damage resulting from hand or exploratory excavation. The Contractor is cautioned that the utilities encountered at the site may include communication cables or electrical cables conducting high voltage. When excavating in the vicinity of the ducts enclosing such cables, special precautions are to be observed by the Contractor at its own cost and shall include the following; all cables and their enclosure ducts shall be exposed by careful hand excavation so as not to damage the ducts or cables nor cause injury to persons, and appropriate warning signs, barricades, and safety devices shall be erected.

The Contractor shall provide as-built drawings of all utilities encountered and constructed to the PM, indicating the size, horizontal location, and vertical location based on the project benchmark or a stable datum.

**4.11.6. Hazardous Materials**

The Contractor is prohibited from installing any asbestos-containing materials or products in any work to be performed under this Contract. The Contractor shall be responsible for removal and replacement costs should it be determined this provision has been violated; this responsibility shall not be limited in duration by project completion, the warranty period, or other provisions of this Contract.

The Contractor is prohibited from installing any lead-containing materials or products, including paint, in any work to be performed under this Contract. The Contractor shall be responsible for removal and replacement costs should it be determined this provision has been violated; this responsibility shall not be limited in duration by project completion, the warranty period, or other provisions of this Contract.

**4.12. Payments by Contractor**

In accordance with section 7108.5 of the Business and Professions Code, the Contractor agrees to promptly pay all subcontractors within ten (10) days of receipt of each progress payment, unless otherwise agreed in writing by all parties, the respective amounts allowed Contractor on account of the work performed by its subcontractors, to the extent of each such subcontractor's interest therein.

The Contractor shall pay and shall require its subcontractors to pay each employee engaged in work on the project under this Contract in full (less deductions made mandatory by law) not less often than once each week.

**4.13. Responsibility to Secure and Pay for Permits, Licenses, Utility Connections, Etc.**

The Contractor shall secure all permits and licenses required for any operations required under this Contract and shall pay all costs relating thereto as well as all other fees and charges that are required by the United States, the State, the county, the city, a public utility, telephone company, special district, or quasi-governmental entity. It is the responsibility of the Contractor to ascertain the necessity of such permits and licenses in preparing its bid and include in its bid the cost thereof as well as adjustments for any delays that may be caused by securing permits and licenses.

City of Fresno Building, Plumbing, Mechanical and Electrical permit fees will be paid for by the Owner.

**4.14. Patented or Copyrighted Materials**

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The Contractor shall assume all costs arising from the use of patented or copyrighted materials, equipment, devices, or processes used on or incorporated in the project and agrees to save harmless, defend, and indemnify the Owner, and the officers, employees, representatives and agents of each of them from all suits, actions, or claims for, or on account of, the use of any patented or copyrighted materials, equipment, devices, or processes.

**4.15. Property Rights in Materials and Equipment**

Nothing in the Contract shall be construed as vesting in the Contractor any property right in the materials or equipment after the project is complete. All such materials or equipment shall become the property of Owner upon completion of the project, and the Contractor warrants that all such property shall pass to Owner free and clear of all liens, claims, security interests, or encumbrances.

**4.16. Taxes**

The Contractor shall pay all taxes imposed by law which are levied or become payable as a result of the Contractor's performance under this Contract.

**4.17. Contract Time**

**4.17.1. Time of the Essence**

All time limits specified in this Contract are of the essence of the Contract.

**4.17.2. Starting and Completion Date**

The PM shall designate in the Notice to Proceed the starting date of the Contract on which the Contractor shall immediately begin and thereafter diligently prosecute the work to completion. The Contractor agrees to complete the work on the date specified for completion of the Contractor's performance in the Contract unless such time is adjusted, in writing, by change order by the Owner. The Contractor may complete the work before the completion date if it will not interfere with the Owner or their other contractors engaged in related or adjacent work. The work shall be regarded as completed on the recordation/acceptance date noted on the Owner's Notice of Completion filed with the County of Fresno. This date shall be used as the date the guarantee period begins as defined in Article 8.5, Guarantee.

**4.17.3. Adjustment of Contract Time Due to Acts of God, etc.**

The Contractor shall not be assessed with liquidated damages, nor the cost of engineering and inspection during any delay in the completion of the project caused by acts of God, the public enemy, fire, flood, epidemic, quarantine restriction, strike, freight embargo, discovery of archaeological or paleontological artifacts, and unusual action of the elements; provided that the Contractor shall notify the PM in writing of the causes of delay within 24 hours from the beginning of any such delay. The PM shall determine the facts with regard to the delay and the reasonable period of time by which the date of completion should be extended by reason thereof, if any. The PM's findings thereon shall be final and conclusive.

There shall be no compensation to the Contractor for costs associated with this kind of delay.

The term "unusual action of the elements" is limited to extraordinary, adverse weather conditions and conditions that immediately result there from which cause a cessation in the progress of the work which will delay the time for completion of the Contract.

The Contractor shall have no right to an adjustment in the time of completion due to weather conditions or industrial conditions which are normal for the locality of the site. The time for completion of the Contract has been calculated with consideration given to the average climatic range and usual industrial conditions prevailing in the locality of the site.

**4.17.4. Adjustment of Contract Time Due to Acts of the Owner**

If the Contractor is delayed in completing the Work by reason of any act of the Owner not provided by the Contract, or by reason of changes made pursuant to Article 6.1 the time for completion of the Contract may be extended for a period commensurate with the delay. The Contractor shall notify the PM in writing of the causes of the delay within seven days from the beginning of the delay. The causes of delay shall be subject to the same determinations as stated in Article 4.16.3, Adjustment of Contract Time Due to Acts of God, etc.

**4.17.5. Contractor to Fully Prosecute Work**

No extension of time will be granted for any of the causes for which extensions are granted unless the Contractor demonstrates to the satisfaction of the Owner that the Contractor has made every reasonable effort to fully prosecute the work and complete the work within the Contract Time.

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### 4.17.6. Owner's Adjustment of Contract Time

Even though the Contractor has no right to an extension of time for completion, the Owner may extend the time at the request of the Contractor if they determine it to be in the best interest of the Owner. If the time is extended, the Owner may, in lieu of assessing liquidated damages, charge the Contractor, its successors, heirs, assigns, or sureties, and deduct from the final payment for the work all or any part, as they may deem proper, the value of the lost use of the completed project, and of the actual cost to the Owner of engineering, inspection, project management, and other overhead expenses which are directly chargeable to the Contract, and which accrue during the period of such extension.

### 4.17.7. Adjustment of Contract Time Due to Reasons Beyond the Owner's Control

Should the Owner be prevented or enjoined from proceeding with work either before or after the start of construction by reason of any litigation or other reason beyond their control, the Contractor shall not be entitled to make or assert any claim for damage by reason for said delay; but time for completion of the work will be extended to such reasonable time as the Owner may determine will compensate the Contractor for time lost by such delay. Any such determinations will be set forth in writing.

### 4.17.8. Liquidated Damages

Attention is directed to Article 7.2, Delay in Completion – Liquidated Damages.

### 4.18. Schedule

The Contractor will provide a Construction Progress Schedule within seven calendar days after the issuance of the Notice to Proceed by Owner. This schedule shall use the critical path method of scheduling and be updated prior to approval of any progress payments. The Contractor will provide the construction schedule in Microsoft Project, P6 or another similar scheduling software program upon approval by PM. If different scheduling software is used the contractor must provide a license for the Owners use.

The Contractor's Construction Schedule shall show the sequence, duration in calendar days, and interdependence of activities required for the complete performance of all work. The Contractor's Construction Schedule shall begin with the date of issuance of the Notice to Proceed, and conclude with the date of final completion including punch list work activities and training time period. Schedule to reflect Owners critical dates and milestones as discussed in preconstruction meetings.

The Construction Progress Schedule will be reviewed by the Project Manager and returned to the Contractor marked reviewed or with comments within 3 calendar days. All comments must be addressed by the Contractor and resubmitted for final review within 3 calendar days.

Monthly schedule updates will be submitted as a prerequisite for the acceptance of each payment application.

### 4.19. Labor Force and Superintendent

At all times the Contractor shall provide sufficient labor to properly prosecute the work and to ensure completion of each part in accordance with the schedule and within the Contract Time. The Contractor shall employ competent workers who are skilled in the type of work required and whose workmanship is of the best, regardless of the quality of material. If, in the judgment of the PM, any person is incompetent or disorderly, the Contractor shall promptly remove such person from the project and shall not re-employ such person thereon.

The Contractor shall retain a competent on-site superintendent to represent the Contractor and to direct the project at all times while any work under this Contract is underway. The Contractor shall not replace a Superintendent without advanced written approval from the PM. If, in the judgment of the PM, the Superintendent is incompetent, unqualified, poorly performing or disorderly, the Contractor shall promptly remove such person from the project and shall not re-employ such person thereon. In this event the PM shall approve the replacement Superintendent.

The Superintendent shall prepare a daily report that includes worker count, work in progress, etc., and shall provide them to the PM on a weekly basis.

The Contractor shall make certain that all subcontractors employed are properly licensed and are in good standing with the California Department of Industrial Relations.

### 4.20. Limitation of Construction Operations

The Contractor shall limit the area and nature of the construction operations to that which is authorized in the plans or specifications or approved by the PM.

### 4.21. Coordination with Other Work

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The Owner reserve the right to do other work in connection with the project or adjacent thereto by Contract or otherwise, and the Contractor shall at all times conduct the work so as to impose no hardship on the Owner or others engaged in the Owner's work nor to cause any unreasonable delay or hindrance thereto. Where two or more contractors are employed on related or adjacent work, each shall conduct its operation in such a manner as not to cause delay or additional expense to the other.

The Contractor shall be responsible to others engaged in the related or adjacent work for all damage to work, to persons and to property, and for loss caused by failure to complete the work within the specified time for completion. The Contractor shall coordinate its work with the work of others so that no discrepancies shall result in the project.

### 4.22. Drawings Reflecting Actual Construction

During the course of construction, the Contractor shall maintain drawings kept up each day to show the project as it is actually constructed. Every sheet of the plans and specifications that differs from the actual construction shall be marked and sheets so changed shall be noted on the title sheets of the plans and specifications. All change orders shall be shown by reference to sketch drawings, and any supplementary drawings or change order drawings shall be included. The altered Contract drawings shall be sufficiently detailed so that future work on the project or in adjacent areas may be conducted with a minimum of difficulty. As-Built drawings shall be reviewed by Contractor and PM prior to any monthly progress payment. Before the completion of the project, and before release of the final retention payments, the red lined "as-built" drawings and specifications shall be transmitted to the PM for review and approval. Both a full size hard copy set and electronic version shall be provided to Owner prior to the release of final payment.

### 4.23. Access for Inspection

The Contractor shall at all times permit the Owner or their authorized personnel to visit and inspect the work and shall maintain proper facilities and provide safe access for such inspection. Work requiring testing, inspection or verification shall not be covered up without such test, inspection, or approval.

### 4.24. Cleanup of Project and Site

The Contractor shall clean up its work at frequent intervals and shall clean up its work at other times when directed by the Architect, Engineer, or the PM. At all times while finish work is underway, floors shall be kept broom clean. Upon completion of the work, the Contractor shall promptly remove from the premises construction equipment and any waste materials not previously disposed of, leaving the premises thoroughly clean and ready for occupancy.

When two or more contractors are engaged in work at or near the site, each shall be responsible for cleanup and removal of its own rubbish, equipment, and any waste materials not previously disposed.

In the event the Contractor does not maintain the project or the site clear of debris and rubbish in a manner acceptable to the PM, the PM may cause the project or site to be properly cleaned and may withhold the expense incurred from payments due the Contractor.

## Article 5 INTERPRETATION OF AND ADHERENCE TO CONTRACT REQUIREMENTS

### 5.1. Interpretation of Contract Requirements

Correlation. Contract Documents shall be interpreted as being complementary, requiring a complete project. Any requirement occurring in any one of the Contract Documents is as binding as though occurring in all Contract Documents. Generally, the specifications address quality, types of materials and Contract conditions while the Plans show placement, sizes, and fabrication details of materials.

In the event of conflict in the Contract Documents, the priorities stated below shall govern:

- Addenda shall govern over all other Contract Documents, and subsequent addenda shall govern over prior addenda only to the extent modified.
- Contract General Conditions shall govern over all sections of the Specifications and any notation on the Plans. No other section of the Specifications shall modify the Contract General Conditions.
- In case of conflict between Plans and Specifications, the Specifications shall govern.

Conflicts within the Plans:

- Material and equipment schedules, when identified as such, shall govern over all other portions of the Plans.
- Specific notes shall govern over all other notes and all other portions of the Plans except the material and equipment schedules described above.
- Larger scale drawings shall govern over smaller scale drawings.
- Figured or numerical dimensions shall govern over dimensions obtained by scaling.

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- In the event provisions of codes, safety orders Contract Documents, referenced manufacturers' specifications or industry standards are in conflict, the more restrictive or higher quality shall govern.

In the event of omissions in the Contract Documents, the following shall apply:

- If the Contract Documents are not complete as to any minor detail of a required construction system or with regard to the manner of combining or installing of parts, materials, or equipment, but there exists an accepted trade standard for good and skillful construction, such detail shall be deemed to be an implied requirement of the Contract Documents in accordance with such standard. "Minor Detail" shall include the concept of substantially identical components, where the price of each such component is small even though the aggregate cost or importance is substantial, and shall include a single component that is incidental, even though its cost or importance may be substantial.
- The quality and quantity of the parts or material so supplied shall conform to trade standards and be compatible with the type, composition, strength, size, and profile of the parts of materials otherwise set forth in the Contract Documents.

### **5.2. Issuance of Interpretations, Clarifications, Additional Instructions**

Should the Contractor discover any conflicts, omissions, or errors in the Contract Documents or have any question concerning interpretation or clarification of the Contract Documents, the Contractor shall request in writing interpretation, clarification, or additional detailed instructions, before proceeding with the work affected. The written request shall be given to the PM with copies to the Architect and/or Engineer.

The PM, in consultation with the Architect and/or Engineer, shall issue in writing the interpretation, clarification, or additional detailed instructions requested.

Should the Contractor proceed with the work affected before receipt of the interpretation, clarification, or instructions from the PM, the Contractor shall replace or adjust any work not in conformance with the interpretation, clarification, or instructions and shall be responsible for any resultant damage or added cost.

Should any interpretation, clarification, or additional detailed instructions, in the opinion of the Contractor, constitute work beyond the scope of the Contract, the Contractor must submit written notice thereof to the PM within seven calendar days following receipt of such interpretation, clarification, or additional detailed instructions and in any event prior to commencement of work thereon. The Contractor shall submit an explanation of how the interpretation, clarification, or additional detailed instruction constitutes work beyond the scope of the Contract, along with a detailed cost breakdown and an explanation of any delay impacts through submission of a Time Impact analysis.

If, in the judgment of the PM, the notice is justified, the interpretation, clarification or additional detailed instructions shall either be revised or the extra work authorized by the PM by Change Directive, with a change order to follow. If the PM, in consultation with the Architect and/or Engineer, decides that the claim is not justified, the PM shall give the Contractor a written order that the claim is not justified and direct the Contractor to perform such work.

The Contractor must proceed with the work upon receipt from the PM of a written order to do so, in accordance with the Architect's and/or Engineer's interpretation of the Contract requirements. If the Contractor objects to the order, the Contractor must notify the PM in writing of its objection and the reasons therefore, within seven days of receipt of the order. The Contractor shall have the right to have this claim later determined by the PM pursuant to this Article 7.1, Claims. When performing disputed work, the Contractor shall prepare time and materials records for each day, and the PM will verify these records at the conclusion of each day. The Contractor shall have no claim for additional compensation because of such interpretation, clarification, or additional detailed instruction, unless it gives the written notices required to the PM within seven calendar days as specified above.

### **5.3. Product and Reference Standards**

#### **5.3.1 Product Designation**

When the Contract references descriptive catalog designations, including the manufacturer's name, product brand name, or model number, such designations shall be considered as those found in industry publications of current issue at the date specified in the Notice to Contractors.

#### **5.3.2 Reference Standards**

When the Contract references standards of the federal government, trade societies, or trade associations by specific date of issue, these shall be considered a part of this Contract. When such references do not bear a date of issue, the current and most recently published edition at the date specified in the Notice to Contractors shall be considered a part of this Contract.

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**5.4. Shop Drawings, Samples, Alternatives or Equals, Substitutions****5.4.1. Submittal Procedure**

The Contractor shall review and approve all shop drawings. "Shop drawings" include drawings, diagrams, illustrations, material and equipment schedules, performance charts, brochures and catalogs and other data prepared by the Contractor or any subcontractor, manufacturer, supplier or distributor, and which illustrate some portion of the work. The Contractor shall promptly review and mark the shop drawing approved and submit to the PM, so as not to cause a delay in the work, together with samples as required by the Contract and shall also submit any offers of alternatives or substitutions. At least six copies of shop drawings shall be submitted. All such submittals shall be sent to the party given in the instructions to the Contractor at the job start meeting. A letter shall accompany the submitted items which shall contain a list of all matters submitted and shall identify all deviations in the shop drawings and samples from the requirements of the Contract. Failure by the Contractor to identify all deviations may render any action taken on the materials submitted to be void. Whether to void such action shall be in the discretion of the PM. By submitting the approved shop drawings and samples, the Contractor represents that the data contained therein have been verified with conditions as they actually exist and that the shop drawings and samples have been checked and coordinated with the Contract. If it is found the Contractor is just simply passing along the documents without fulfilling their responsibilities of review, than any costs associated with review by Owner's team that should have been caught by Contractor prior to submission will be the responsibility of the Contractor to pay. Excessive re-submittals as defined as more than 2 resubmissions by Contractor, will require payment to Owners team including PM for additional review time. Rates for such review based upon size of submittal(s), etc. to be predetermined and accepted by Contractor prior to review occurring by team. Any delays as a direct result of Owner's team being excessively involved with submittals review will not be deemed a delay to the project, and Contractor will not be provided any additional time.

**5.4.2. Samples**

Samples are physical examples furnished by the Contractor to illustrate materials, equipment, color, texture, or workmanship, and to establish standards by which the work will be judged.

**5.4.3. Alternatives or Equals**

For convenience in designation on the plans or in the specifications, certain materials or equipment may be designated by a brand or trade name or the name of the manufacturer together with catalog designation or other identifying information, hereinafter referred to generically as "designated by brand name." Alternative material or equipment which is of equal quality and of the required characteristics for the purpose intended may be proposed for use provided the Bidder complies with the following requirements:

The Bidder shall submit its proposal to the PM for an alternative as an "equal" in writing no later than 7 calendar days after the award of the Contract. In exceptional cases the Owner may give written consent to a submittal or re-submittal received after the expiration of the time limit designated. The Bidder is responsible for timely submittal of its proposed "or equal."

No proposal will be considered unless accompanied by complete information necessary to permit determination of the equality of the offered materials or equipment. Samples shall be provided when requested by the PM.

The burden of proof as to the comparative quality and suitability of the offered materials or equipment shall be upon the Bidder. Where the material is specified by capacity or performance, the burden of proof shall be on the Bidder to show that any particular equipment or materials meet the minimum capacities or the performance requirements specified. The Bidder shall furnish at its own expense all information necessary for a determination as to whether the minimum capacities or performance requirements will be met.

The PM shall be the judge of such matters. If the PM rejects the use of any alternative materials or equipment, then one of the products designated by brand name shall be furnished.

If changes or delays are required for proper installation or fit of alternative materials, articles, or equipment, or because of deviations from Contract Documents, such changes or delays shall be made at the Contractor's expense without recourse for reimbursement from the Owner.

**5.4.4. Substitutions**

If the Contractor proposes a product that is of lesser or greater quality or performance than the specified material or equipment, it must comply with these provisions of Article 5.4, but, in addition, the Contractor must submit any cost impact. By submitting a substitute, the Contractor waives any rights to claim a delay

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due to the processing of this substitution. The time for submittal of a substitution of an unequal product shall be restricted to 7 calendar days after the effective date on the Notice to Proceed unless the PM allows a longer or shorter period in writing. The Owner is not obligated to review or accept substitutions.

**5.5. Quality of Materials, Articles and Equipment**

Materials, articles and equipment furnished by the Contractor for incorporation into the work shall be new. When the Contract requires that materials, articles or equipment be furnished, but the quality or kind thereof is not specified, the Contractor shall furnish materials, articles or equipment at least equal to the kind or quality or both of materials, articles or equipment which are specified.

**5.6. Testing Materials, Articles, Equipment and Work**

Materials, articles, equipment or other work requiring tests are specified in the Contract. Materials, articles and equipment requiring tests shall be delivered to the site in ample time before intended use to allow for testing and shall not be used prior to testing and receipt of written approval. The Contractor shall be solely responsible for notifying the PM where and when materials, articles, equipment and work are ready for testing. Should any such materials, articles, equipment or work be covered without testing and approval, if required, they shall be uncovered at the Contractor's expense.

**5.7. Rejection**

Should any portion of the work done or any materials, articles or equipment delivered fail to comply with the requirements of the Contract, such work, materials, articles or equipment shall be rejected in writing and shall immediately be made satisfactory to the Owner, by the Contractor, at no additional expense to the Owner. Any materials, articles or equipment that are rejected shall immediately be removed from the premises at the Contractor's expense. The PM may retain one and one-fourth times the cost of the rejected materials, articles, equipment, and work from any payments due the Contractor until it is made acceptable to the PM. The PM may back charge the Contractor for design costs incurred in the correction of Contractor's rejected work.

**5.8. Responsibility of Quality**

The testing and inspection provided by the Owner shall not relieve the Contractor of its responsibility for the quality of materials and workmanship provided by the Contractor, and the Contractor shall make good all defective work discovered during or after completion of the project.

**Article 6 CHANGES IN THE WORK****6.1. Change Orders**

The Owner reserves the right to issue written change orders, through the PM, directing changes in the Contract at any time prior to the Notice of Completion without voiding the Contract, and the Contractor shall promptly comply with such order. Any delay to the completion time of the project or additional expenses incurred due to the Contractor's delay in promptly carrying out Change Directives will be borne by the Contractor. The Contractor may request changes in the work, but shall not act on the changes until authorized by the PM. The PM may reject unauthorized changes whether the expense is greater or lesser. Any change made without the PM's authorization shall be the responsibility of the Contractor and shall be replaced with the original requirements of the contract documents at the Contractor's expense.

On the basis set forth herein, the Contract price shall be adjusted for any change order requiring a different quantity or quality of labor, materials or equipment from that originally required, and the partial payments to the Contractor, set forth in Article 8.2, Partial Payments, shall be adjusted to reflect the change. Whenever the necessity for a change arises, and when so ordered by the PM in writing, the Contractor shall take all necessary steps to halt such other work in the area of the change that might be affected by the ultimate change. Changed work shall be performed in accordance with the original Contract requirements except as modified by the change order. Except as herein provided, the Contractor shall have no claim for any other compensation due to changes in the work.

**6.2. Proposed Change Orders**

The PM will issue to the Contractor a Cost Request Bulletin (CRB) or a Change Directive (CD) for a proposed change describing the intended change and shall require the Contractor to respond with a proposed amount to be added to or subtracted from the Contract price due to the change supported by a detailed estimate of cost (hereinafter called a change order request (COR). Upon request by the PM, the Contractor shall permit inspection of the original Contract estimate, subcontract agreements, or purchase orders relating to the change. Any request for adjustment in time of final completion of the project that is directly attributable to the changed work shall also be included, with substantiating detailed explanation, by the Contractor in its response to the CRB. Failure to request adjustment of time



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on the change order request shall waive any right to subsequently claim an adjustment of the time for final completion based on the changed work. The Contractor shall submit the COR with detailed estimates and any time extension request thereon to the PM within seven calendar days after issuance of the CRB or CD. If not submitted within the required seven calendar days, and the Contractor has not obtained the PM's permission for a delay in submission, the PM may order the Contractor in writing to begin the work immediately, in accordance with Article 6.4 or Article 6.6, and the Contract price shall be adjusted in accordance with the PM's estimate of cost, unless the Contractor within seven days following completion of the changed work presents proof convincing to the PM that the PM's estimate was in error. The Contractor must keep and submit time and materials records verified daily by the PM to substantiate its costs and to furnish such proof.

When the PM and the Contractor agree on the amount to be added to or deducted from the Contract price and the time to be added to or deducted from the completion date the Contractor shall proceed with the changed work. When the PM and the Contractor agree to the adjustment in the Contractor's compensation for the performance of changed work, but fail to agree to the time adjustment for such work, the Contractor shall proceed with the work at the agreed price, reserving the right to further pursue its claim for a time adjustment. Any costs incurred to acquire information relative to a proposed change order shall not be borne by the Owner.

**6.3. Allowable Costs Upon Change Orders**

The only costs (estimated or actual) allowable due to changed work, and the manner in which such costs are computed shall be in accordance with the following eight provisions. In submitting a change order request, the Contractor affirms that the cost is submitted in good faith, that the cost is accurate and is in accordance with the provisions of the Contract requirements, and the Contractor submits the costs recognizing the significant civil penalties and damages which follow from making a false claim or presenting a false claim to the Owner. Direct cost is defined as the actual cost of work before the application of any mark-ups for overhead and profit. In addition to items identified in the following provisions, direct cost items may include: hoisting, clean-up (both periodic and final), trash removal, traffic control, and dust control.

**6.3.1. Labor**

Costs are allowed for the actual payroll cost to the Contractor for labor, field supervision of changed work, (but not field office supervision nor indirect supervision) and engineering or technical services directly required for the performance of the changed work, (but not site management such as field office estimating, clerical, purchasing, as-builts, change order coordination, or warranty). Costs include payments, assessments, or benefits required by lawful labor union collective bargaining agreements, compensation insurance payments, liability insurance premium on labor only, contributions made to the State pursuant to the Unemployment Insurance Code, and for taxes.

No labor cost will be recognized at a rate in excess of the prevailing wages that are being paid by the Contractor for similar work on the project, nor will the use of a classification which would increase the labor cost be permitted unless the Contractor established to the satisfaction of the PM the necessity for use of such higher classifications of workers. The Contractors and subcontractors shall submit a fully detailed breakdown of the cost of every labor classification utilized on a proposed change on the Hourly Labor Rate Worksheet. The Owner may verify wage and burden per Article 4.2, Prevailing Wage. The unit cost of labor shall be an accurate accounting of actual costs being paid in accordance with the allowances herein, and it shall be submitted under penalty of perjury.

**6.3.2. Materials**

Contractor's costs are allowed for the cost of the materials directly required for the performance of the changed work. Such cost of materials may include the costs of transportation, sales tax, and delivery if necessarily incurred. If a trade discount by the actual supplier is available to the Contractor, it shall be credited to the Owner. If the materials are obtained from a supply or source owned wholly or in part by the Contractor, payment therefore will not exceed the current wholesale price for such materials. Cost for consumed materials may be charged on a reasonably estimated basis, but may not be a percentage of labor.

If, in the opinion of the PM, the cost of materials is excessive, or if the Contractor fails to furnish satisfactory evidence of the cost from the actual suppliers thereof, then in either case the cost of the materials shall be deemed to be the lowest wholesale price at which similar materials are available in the quantities required at the time they were needed. The Owner reserves the right to furnish such materials as they deem advisable, and the Contractor shall have no claim for costs or profits on material furnished by the Owner.

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6.3.3. Equipment

Contractor's costs are allowed for the actual cost of the use of equipment directly required in the performance of the changed work except that no payment will be made for time while equipment is inoperative due to breakdowns or for non-working days. The rental time shall include the time required to move the equipment to the project site from the nearest available source for rental of such equipment, and to return it to the source. If such equipment is not moved by its own power, then loading and transportation costs will be paid. However, neither moving time nor loading and transportation costs will be paid if the equipment is used on the project in any other way than upon the changed work. Individual pieces of equipment having a replacement value of \$200.00 or less shall be considered to be small tools or small equipment, and no payment therefore will be made unless it has been rented specifically for the changed work. Consumed equipment or tools, such as paint brushes, rollers, drill bits, etc. may be charged on an actual or reasonably estimated cost basis and are not to be charged as a percentage.

For equipment owned, furnished, or rented by the Contractor, none of which will be recognized in excess of the rental rates established by distributors or equipment rental agencies in the locality where the work is performed.

The amount to be paid to the Contractor including mark-up for the use of equipment as set forth above shall constitute full compensation to the Contractor for the cost of fuel (unless the Contractor has demonstrated that mark-up does not cover consumed fuel cost), power, oil, lubrication, supplies, small tools, small equipment, necessary attachments, repairs and maintenance of any kind, depreciation, storage, insurance, and any and all costs to the Contractor incidental to the use of such equipment. Equipment operators shall be paid for as provided in Article 6.3.1, above.

6.3.4. Mark-ups on Change Orders

The mark-ups allowed on the direct cost of changed work include all incidental overhead support costs and profit. Such incidental overhead support costs include: estimating and purchasing; indirect supervision and project management; home office overhead; site overhead including facilities and utilities; change order coordination; as-built drawings; warranties; bonds; course of construction and liability insurance (however, per Article 6.3.1, the cost of liability insurance premium for labor only is allowed as a cost for labor); and small tools. Any incidental overhead support cost not expressly identified herein shall be included in the Contractor's mark-up. No mark-up on mark-up is permitted. If the subcontractor is owned, partially owned, or has a shared profit arrangement with the Contractor, any mark-up otherwise applicable to a change shall be reduced in proportion with the shared profits.

6.3.5. Work by Subcontractors and Vendors

For any portion of the changed work that is to be performed by a subcontractor (any tier), the Contractor shall furnish to the PM a detailed estimate prepared and signed by subcontractor of the cost to subcontractor for performing the changed work. At the option of the PM, a lump sum estimate of such cost to subcontractor may be accepted in lieu of the detailed estimate. The combined costs for subcontractor's overhead, profit, taxes, indirect supervision, insurance, bonds, and any other costs not specifically allowed by Article 6.3.1, 6.3.2 and 6.3.3 shall not exceed fifteen (15) percent on the first \$50,000 of the direct cost; thereafter, ten (10) percent on the balance beyond \$50,000. The maximum allowable mark-up of a first tier subcontractor on any subsequent tiers shall be seven (7) percent. The aggregate mark-ups allowed by multiple tiered subcontractors shall not exceed twenty-six (26) percent of the direct cost on the first \$50,000; thereafter, twenty-one (21) percent on the balance beyond \$50,000. Estimates of the amount to be deleted from subcontractor's portion of the work shall be gross value of the deducted work plus at least six percent for overhead, bonds, insurance, and related savings added to the direct value of the deleted work. For changed work to be furnished by a vendor, the Contractor shall furnish upon demand of the PM, a lump sum estimate of the cost of the items including taxes and cartage to the Contractor prepared by the vendor. No vendor mark-up for overhead, profit, layout, supervision or bonds will be allowed for changed work furnished by a vendor.

6.3.6. General Contractor Mark-up for Added Work

When changed/added work is performed by a subcontractor, the Contractor may add no more than ten (10) percent mark-up to the subcontractor's total direct cost estimate (excluding the subcontractor's mark-up) for such work on the first \$50,000; thereafter, the mark-up is seven (7) percent on the balance beyond \$50,000. The Contractor's ten percent mark-up in this case is for profit, overhead, insurance, taxes, indirect supervision, bonds, warranty and any other costs not specifically allowed by Article 6.3.1, 6.3.2 and 6.3.3. Also refer to Article 4.10.5, Utilities, for special mark-up on repair of utilities. The Contractor may add up to

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fifteen (15) percent to its direct cost when self-performing the changed work on the first \$50,000, and ten (10) percent thereafter on the balance beyond \$50,000.

**6.3.7. Credit for Deleted Work**

Where an entire item or section of work is deleted from the Contract, the entire subcontract value or bid value shall be considered the appropriate deduction less the value of work performed, and shall have at least six percent mark-up added thereto for the Contractor's saved overhead, bonds, insurance, and taxes. If the subcontract value or bid value is not identifiable, then the amount to be deducted from the Contract amount shall be the estimated value of the deducted work plus at least six percent for saved overhead, bonds, and insurance. The value submitted on the schedule of values shall be used to calculate the credit amount, and may not be further marked up if it includes the value for general conditions (overhead, bonds, insurance, etc.).

For a proposed change order that involves both added and omitted work, the Contractor shall separately calculate its total added costs and its total deducted costs, and shall then sum its total added and deducted costs, resulting in the Contractor's net cost for the change order. The Contractor shall then apply the mark-up to this net cost. Similarly, the Contractor shall separately calculate each subcontractor's total added costs and total deducted costs, and shall then sum each subcontractor's total added and deducted costs, resulting in each subcontractor's net cost for the change order. If the resulting net costs for each subcontractor will increase the Contract price, then the Contractor shall apply separate mark-ups for added work as specified in Article 6.3.5. If the resulting net costs for each subcontractor will decrease the Contract price, then the Contractor shall apply separate mark-ups for deleted work as specified in Article 6.3.7.

For example:

Contractor - net cost is \$30,000, Contractor's mark-up is 15%, or \$4,500.

Subcontractor A - net cost is \$20,000, Contractor's mark-up is 10%, or \$2,000.

Subcontractor B - net cost is <\$10,000>, Contractor's mark-up is six percent, or <\$600>.

The Contractor's total mark-up for this example change order is \$5,900.

**6.3.8. Market Values**

Cost for added work shall be no more than market values prevailing at the time of the change, unless the Contractor can establish to the satisfaction of the PM that it investigated all possible means of obtaining work at prevailing market values and that the excess cost could not be avoided.

When a change order deletes work from the Contract, the computation of the amount thereof shall be the values which prevailed at the time bids for the work were opened, if the work is contained in a subcontract agreement or purchase order executed at or near the time bids were opened.

**6.4. Failure to Agree as to Cost**

**6.4.1. For Added Work**

Notwithstanding the failure of the PM and the Contractor to agree as to the cost of the proposed change order, the Contractor, upon written directive from the PM, shall proceed immediately with the changed work. A Construction Directive or other signed correspondence from the PM shall be used for this written order. At the start of each day's work on the change, the Contractor shall notify the PM in writing as to the size of the labor force to be used for the changed work and its location. Failure to so notify may result in the non-acceptance of the costs for that day. At the completion of each day's work, the Contractor shall furnish to the PM a detailed summary of all labor, materials, and equipment employed in the changed work. The PM will compare his/her records with Contractor's daily summary and may make any necessary adjustments to the summary. After the PM and the Contractor agree upon and sign the daily summary, the summary shall become the basis for determining costs for the additional work. The sum of these costs when added to an appropriate mark-up will constitute the payment for the changed work. Subsequent adjustments, however, may be made based on later audits by the PM. When changed work is performed at locations away from the job site, the Contractor shall furnish in lieu of the daily summary, a summary submitted at the completion of the work containing a detailed statement of labor, material, and equipment used in the work. This latter summary shall be signed by the Contractor who shall certify thereon under penalty of perjury that the information is true, and the costs are as allowed in this Article. If changed work is to be paid on the basis of time and materials, a credit for deleted Contract work shall be included. Mark-up shall be as covered in Article 6.3.4 through 6.3.7.

The Contractor shall maintain and furnish on demand of the PM itemized statements of cost from all vendors and subcontractors who perform changed work or furnish materials and equipment for such work. All

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statements must be signed by the vendors and the subcontractors.

### 6.4.2. For Deleted Work

When a proposed change order contains a deletion of any work, and the PM and the Contractor are unable to agree upon the cost thereof, the PM's estimate shall be deducted from the Contract price and may be withheld from any payment due the Contractor until the Contractor presents proof convincing to the PM that the PM's estimate was in error. The amount to be deducted, other than deletion of an entire item as addressed in Article 6.3.7, shall be the costs to the Contractor for labor, materials, and equipment which would have been used on the deleted work together with the credit mark-up. The guidelines set forth in Article 6.3, shall be used in computing the amounts involved for changes other than deletion of an entire item.

### 6.5. Allowable Time Extensions

For any change in the work, the Contractor shall be entitled only to such adjustments in time by which completion of the entire work is delayed due solely to performance of the changed work. However, no extension of time shall be granted for a change in the work unless the Contractor demonstrates to the satisfaction of the PM that the work is on the critical path and submits an updated CPM schedule showing that an extension of time is required and that the Contractor is making, or has made, every reasonable effort to guarantee completion of the additional work called for by the change within the time originally allotted for the Contract. The updated schedule will be submitted on the same electronic format as required by Article 4.15.

### 6.6. Emergency Changes

Changes in the work agreed by the PM to be necessary due to unforeseen site conditions, discovery of errors in plans or specifications requiring immediate clarification in order to avoid a serious work stoppage, changes of a kind where the extent cannot be determined until completed, or under any circumstances whatsoever when deemed necessary by the PM are kinds of emergency changes which may be authorized by the PM in writing to the Contractor. The Contractor shall commence performance of the emergency change immediately upon receipt of written direction from the PM.

If agreement is reached as to compensation and/or time adjustment for the purpose of any emergency change, then compensation and/or time extension, as appropriate, will be as provided in Article 6.3 relating to ordinary changes. If agreement is not reached as to compensation and/or time adjustment at the time of commencing the emergency change, then compensation and/or time extension, as appropriate, will be as provided in Article 6.4, that is, time and materials records and summaries shall be witnessed and maintained until either a lump sum payment and/or time extension, as provided in Article 6.5, is agreed upon, or the changed work is completed.

### 6.7. Audit Rights

The contracting parties shall be subject to examination and audit by the Owner (or designee) at any time during construction and for a period of three (3) years after final payment of the Contract. Such examination and audit shall include access to the Contractor and the subcontractor records as delineated in the following:

The Contractor's records which shall include but not be limited to accounting records (hard copy, as well as computer); emails; written policies and procedures; subcontract files (including proposals of successful and unsuccessful Bidders, bid recaps, etc.); original estimates; estimating work sheets; correspondence; change order files (including documentation covering negotiated settlements); back charge logs and supporting documentation; general ledger entries detailing cash and trade discounts earned, insurance rebates and dividends; and any other supporting evidence deemed necessary by the PM to substantiate charges related to this Contract (all foregoing hereinafter referred to as "records") and shall be open to inspection and subject to audit and/or reproduction to adequately permit evaluation and verification of (a) the Contractor's compliance with Contract requirements and (b) compliance with provisions for pricing change orders, payments or claims submitted by the Contractor or any of his payees. The Contractor is required to have as part of the records the following reports: a detailed cost ledger reflecting total charges against the project which present an itemization by invoice and labor costs by cost codes; a summary report identifying total project costs by cost codes; and a subcontractor history report including each subcontract amount and change orders issued thereto.

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Article 7 CLAIMS AND DAMAGES

**7.1. Claims**

**7.1.1. Claim and Dispute Submittals**

Any dispute related to this Contract or its breach that is not resolved by agreement shall be promptly submitted in accordance with this Article, with adequate supporting data. Adequate supporting data shall include, but is not limited to a statement of the reasons for the asserted entitlement, the certified payrolls, invoice(s) for material and equipment rental, and an itemized breakdown of any adjustment sought.

At the time of submission of any claim, the Contractor shall certify as follows:

<p style="text-align: center;"><b>SUBMISSION UNDER PENALTY OF PERJURY</b></p> <p>“I, <u>(insert full name)</u>, am the <u>(insert title--must be an Officer)</u> of <u>(insert name of firm)</u>, and I declare under penalty of perjury under the laws of the State of California and do personally certify and attest that: I have thoroughly reviewed the attached claim for additional compensation and/or extension of time, and know its contents, and said claim is made in good faith; that the supporting data is truthful and accurate; that the amount requested accurately reflects the contract adjustment for which I believe the Owner is liable, and further know and understand that submission or certification of a false claim may lead to fines, imprisonment and/or other severe legal consequences.”</p> <p style="text-align: center;">BY: <u>(signature)</u> Date: <u>(insert date of signature)</u></p>
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Contractor’s submission of a claim, properly certified, with all required supporting documentation, and the PM’s written rejection or denial of all or part of the claim(s) are conditions precedent to any action, proceeding, litigation, suit, or demand for arbitration by the Contractor. Contractor’s Claim(s) – Notice of Claim

**7.1.2. Contractor’s Claim(s) – Notice of Claim**

In accordance with Article 5.2 (Issuance of Interpretations, Clarifications, Additional Instructions), should the Contractor disagree with the determination of the PM on a matter that substantially affects the Contractor’s costs, compensation or extent of work, the Contractor shall file a claim with the Owner and request a review of the decision. The Contractor must proceed with the work upon receipt from the PM of a written order to do so. However, within seven days of receipt of the written order, the Contractor must notify the PM, by letter, that it protests the decision.

**7.1.3. Contractor Submission of Unresolved Claims to the Owner**

All unresolved claims arising from this Contract, for which the Contractor seeks resolution by the Owner, shall be submitted in writing to the Owner no later than 30 calendar days after the County Recorder’s recordation date on the Owner’s Notice of Completion. The Contractor’s failure to submit its claims to the Owner within this 30-day period shall constitute a waiver by the Contractor of such claims. This claim must include six copies of a detailed claims package. Failure to submit the full detailed package within this second 30-day period shall constitute a waiver by the Contractor of such claims.

Before the Contractor files a claim with the Owner, the Contractor shall make a reasonable effort to analyze the claim to determine the truth of the information comprising the claim. The Contractor shall not present a subcontractor claim without making a reasonable effort to determine the truth of the facts comprising the claim. Only claims reasonably determined by the Contractor to be true may be filed with the Owner. By submitting a claim, Contractor affirms that its claim is submitted in good faith, that the facts supporting the claim are true and accurate, and that the claim, in the reasonable opinion of the Contractor, constitutes a basis under the Contract for additional compensation. Further, Contractor submits the claim recognizing the significant civil penalties which follow from making a false claim or presenting a false claim to the Owner.

**7.1.4. Owner’s Claim(s) Submittal**

The PM shall submit a rebuttal to the Contractor’s claim, along with any claims against the Contractor, to the Owner within a reasonable time after Contractor submits their claim package.

**7.1.5. Contractor Rebuttal to Owner’s Claims**

Upon submission of any Owner claims, the Contractor shall have an additional 30 day period to submit a rebuttal to the Owner’s claims.

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**7.1.6. Claims Review Board**

The Owner may make a decision on the claim or may convene a Claims Review Board to hear the submitted claim at the completion of the project. Each Claims Review Board shall continue to function until all pertinent facts are reviewed, and it arrives at a decision. The Claims Review Board process shall be administered by the PM or designee. These administrative responsibilities include, but are not limited to, selection of the Claims Review Board members, determination of the time and location of the hearing, and application of the Review Board procedures. The Review Board will be comprised of members of the Fresno Chaffee Zoo Corporation Board of Directors or their designees. It is a lay board; attorneys and third party claims specialists may not participate in the hearings, with the exception of scheduling consultants. The Board's decision will be made as soon as possible after the conclusion of the hearing. The decision of the Board exhausts the Contractor's contractual and administrative remedies with the Owner.

**7.2. Delay in Completion - Liquidated Damages**

If the work is not completed within the time required, damage will be sustained by the Owner. It is, and will be, impractical and extremely difficult to determine the actual damage that the Owner will sustain by reason of the delay. It is therefore agreed that the Contractor will pay to the Owner the sum of money stipulated per day in the Notice to Bidders for each day's delay in completing the work beyond the time prescribed, see Article 8.1, Acceptance. If the Contractor fails to pay such liquidated damages, the PM may deduct the amount thereof from any money due or that may become due the Contractor. The PM's assessment of liquidated damages shall not commence on a Saturday, Sunday or legal holiday.

**7.3. Failure to Meet Terms of Contract**

If the PM deems that a contractor has failed to supply an adequate working force, or material of proper quality, or has failed in any other respect to prosecute the work with the diligence and force specified by the contract, the PM:

- 7.3.1. After written notice of at least five working days to the contractor, specifying the defaults to be remedied, provide any such labor or materials and deduct the cost from any money due or to become due to the contractor under the contract; or
- 7.3.2. If the PM considers that the failure is sufficient ground for such action, they may give written notice of at least five working days to the contractor and the contractor's sureties, that if the defaults are not remedied the contractor's control over the work will be terminated.

## Article 8 PAYMENT AND COMPLETION

**8.1. Acceptance**

When the whole project has been completed in all respects in accordance with the plans and specifications, to the full satisfaction of the Owner, including receipt of all closeout documents (as-builts, O&M's, warranties, guarantees, training, etc.) the PM will then file a Notice of Completion with the County Recorder in the county in which the project is located. Projects bid with a segregation of costs for separate, independent portions may, at the Owner's discretion, have each of the separate portions accepted individually. The date of recording on the Notice of Completion shall be the official completion date relating to claims and stop notices. All stop notices must be filed with the Owner within 30 calendar days after the County Recorder's recordation date on the Owner's timely Notice of Completion. All claims arising from this Contract shall be submitted in writing to the Owner no later than 30 calendar days after the recordation date on the Owner's Notice of Completion; see Article 7.1, Claims.

**8.2. Partial Payments**

To assist in computing partial payments, the Contractor shall submit to the PM a Schedule of Values (SOV) of the Contractor's actual and estimated costs for each item of work. The cost breakdowns shall be in sufficient detail for use in estimating the work to be completed each month and shall be submitted within 15 calendar days after the date of commencement of work given in the Notice to Proceed.

Once each month during the progress of the work, the Contractor shall submit a partial payment request. The Contractor shall base the partial payment request on the approved SOV for the cost of the work completed plus, where applicable, a maximum of 95% of the verified supplier-invoiced and Contractor-purchased value for the acceptable materials delivered to the site, and not yet installed and as allowed on the Contractor's Payment Request Form. When submitting a request for payment for materials, the Contractor shall submit the Request for Materials On Hand with its partial payment request.

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The partial payment request shall be submitted on the 1<sup>st</sup> day of the month including subcontractor releases. Partial payment requests shall be processed with a minimum of ten percent retention. The Owner holds this retention in part, as security for the fulfillment of the Contract by Contractor, and in part, as retainage for liquidated damages, stop notices, Labor Code wage and penalty assessments, and Owner's back-charges such as for retesting and re-inspection.

Partial payments shall not be construed as acceptance of any work that is not in accordance with the requirements of the Contract.

**8.3. Stop Notices**

The Owner shall retain out of any money due or that may become due the Contractor, sums sufficient (125 percent of the claim) to cover claims filed pursuant to the stop notice provisions of the law.

Preliminary notices and stop notices should be addressed to the PM. The Contractor shall be responsible to communicate this information to all subcontractors.

**8.4. Final Payment**

After acceptance of the project as complete, the Contractor shall submit to the PM a payment request of the total due under the Contract less the retention. This payment request will be processed in the same manner as the partial payment requests. The submission of the final payment request will not be accepted until all work on the project, including Owner receipt of closeout documents as previously defined is complete. Subcontractor and Contractor releases must accompany the final billing.

The PM shall notify the Contractor of the date of recordation of the Notice of Completion. The Contractor shall submit a request for payment of the retention to the PM, who will process the retention payment 30 calendar days after the date of recordation by the County Recorder.

The PM shall continue to retain funds to cover liquidated damages, stop notices, state labor commissioner claims, back charges from the Owner, unexecuted credit change orders, and other such claims that may be received up to the end of the 30 days period following recordation. If any stop notice has been filed, payment shall be withheld in an amount of at least 125 percent of the total claims filed until either the rights under the stop notice have been settled or the Contractor has posted sufficient bond in an amount of at least 125 percent of the total claims filed to secure payment of such claims.

On projects bid with a segregation of costs for separate, independent portions which portions are accepted individually pursuant to Article 8.1, Acceptance, the final payment procedure specified in this Article shall be followed. The total amount due under the Contract, the amounts retained, other claims for compensation, and the filing of stop notices shall refer only to the portion accepted.

**8.5. Guarantee**

The Contractor hereby unconditionally guarantees the work under this Contract to be in conformance with the Contract requirements and to be and remain free of defects in workmanship and materials for a period of one year from the date of recordation at the County where the project is located pursuant to Article 4.17.2, Starting and Completion Date, unless a longer guarantee period is stipulated in the Contract Documents. By this guarantee the Contractor agrees, within the guarantee period, to repair or replace any work, together with any adjacent work which may be displaced in so doing which is not in accordance with the requirements of the Contract or which is defective in its workmanship or material, all without any expense whatsoever to the Owner. Contractor shall manage the repairs and/or replacement work and not rely upon FCZ staff to schedule or manage the workers.

Special guarantees that are required by the Contract shall be signed by the Contractor who is responsible for the entire work and countersigned by the subcontractor that performs the work.

Contract bonds shall remain in full force and effect during the one-year guarantee period, unless a longer bond period is stipulated in the Contract Documents.

The Contractor further agrees that within seven calendar days after being notified in writing by the PM of any work not in accordance with the requirements of the Contract or of any defects in the work, Contractor shall commence and prosecute with due diligence all work necessary to fulfill the terms of this guarantee and to complete the work in accordance with the requirements of the Contract within a reasonable period of time. The Contractor, in the event of failure to so comply, does hereby authorize the Owner to proceed to have the work done at the Contractor's expense, and it agrees to pay the cost thereof upon demand. The Owner shall be entitled to all costs necessarily incurred upon the Contractor's refusal to pay the above cost.

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Notwithstanding the foregoing paragraph, in the event of an emergency constituting an immediate hazard to health or safety of the Owner' employees, animals, property, or licenses, the Owner may undertake at the Contractor's expense, without prior notice, all work necessary to correct such hazardous conditions caused by the work of the Contractor that is not in accordance with the requirements of this Contract.

Article 9 MISCELLANEOUS

**9.1. Governing Law**

The Contract shall be governed by the law of the State of California.

**9.2. Successors and Assigns**

The Trustees and Contractor respectively bind themselves and their successors, permitted assigns, and legal representatives to the other party and to the successors, permitted assigns, and legal representatives of such other party in respect to covenants, agreements, and obligations contained in the Contract Documents. Neither party to the Contract shall assign the Contract, in whole or in part, without prior written consent of the other party. Notwithstanding any such assignment, each of the original contracting parties shall remain legally responsible for all of its obligations under the Contract.

**9.3. Rights and Remedies**

All Trustees' rights and remedies under the Contract Documents will be cumulative and in addition to and not in limitation of all other rights and remedies of Trustees under the Contract Documents or otherwise available at law or in equity.

No action or failure to act by Trustees or Trustees' representative will constitute a waiver of a right afforded them under the Contract, nor will such action or failure to act constitute approval of or acquiescence in a condition or breach thereunder, except as may be specifically agreed in writing. No waiver by Trustees or Trustees' representative of any condition, breach or default will constitute a waiver of any other condition, breach or default; nor will any such waiver constitute a continuing waiver.

No provision contained in the Contract Documents shall create or give to third parties any claim or right of action against the Trustees, Trustees' representative, or Contractor.

**9.4. Waiver**

A waiver of or failure by Trustees or Trustees' representative to enforce any requirement in this Agreement will not constitute a waiver of, and will not preclude the Trustees or Trustees' representative from enforcing, any other requirement of the Agreement, and the Agreement will remain valid.

A waiver of or failure by Trustees or Trustees' representative to enforce any requirement in this Agreement in connection with any adjustment of the Contract Amount or Contract Time will not constitute a waiver of, and will not preclude the Trustees or Trustees' representative from enforcing, such requirements in connection with any other adjustments of the Contract Amount or Contract Time.

The Contractor agrees and understands that no oral directive, approval or representation, either express or implied, by Trustees or its agents shall be binding upon Trustees.

**9.5. Survival**

The provisions of the Contract which by their nature survive termination of the Contract or Acceptance under Article 8.1, including all warranties, indemnities, payment obligations, and Trustees' right to audit Contractor's books and records, shall remain in full force and effect after Acceptance or any termination of the Contract.

**9.6. Complete Agreement**

The Contract Documents constitute the full and complete understanding of the parties and supersede any previous agreements or understandings, oral or written, with respect to the subject matter hereof. The Contract may be modified only by a written instrument signed by both parties or as provided in Article 6, Changes in the Work.

**9.7. Severability of Provisions**

If any one or more of the provisions contained in the Contract Documents should be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.



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**9.8. Notices**

Except as otherwise provided, all notices, requests, demands, and other communications to be given under the Contract Documents shall be in writing and shall be transmitted by one of the following methods:

- Sent by courier where receipt is confirmed.
- Sent by registered or certified mail, postage prepaid, return receipt requested.

Such notices and other communications in Article 9.8 shall be deemed given and received upon actual receipt in the case of all except registered or certified mail; and in the case of registered or certified mail, on the date shown on the return receipt or the date delivery during normal business hours was attempted. Such notices and communications shall be given at the respective street addresses set forth in the Agreement. Such street addresses may be changed by notice given in accordance with this Article 9.8.

End of Contract General Conditions

<div>  <div> <b>PROJECT: Storm Drain Pipeline Extension</b>  <b>ADDRESS: 894 W Belmont Ave</b>  <b>PROJECT # FCZ # 130410</b>  <b>DATE: 11/17/2016, REV 11-18-16</b> </div> </div>							
Budget Item	Vendor/ Subcontractor	Division	Cat. Code	Orig. Budget	Final Costs	ACTUAL Costs	Notes
<b>TRADE WORK</b>							
Civil Engineer	Mok Engineering			\$ -	\$ 2,725.00		\$10,900 Orig. Design Costs \$ 2,725 remaining in contract that has not been billed to date per Mok on 9-12-16 for Construction Admin
Civil Engineer	Mok Engineering			\$ -	\$ 4,720.00		Staking \$2,900, Basin Infill \$900, GPR-ground penetrating radar \$920
Testing & Specialty Inspections	BSK			\$ -	\$ 34,075.00		Soil and Compaction testing. Note: Obtaining another bid from Moore Twining
Plan CK Fee/Permits Original	City of Fresno			\$ -	\$ -		
Plan CK Fee/Permits Extensions	City of Fresno			\$ -	\$ 410.36		Permit extension \$196.36, and Grading Permit revision fee for infill at Basin \$214
Permit Fee	SJVAPCD			\$ -	\$ -		Only notification required to SJVAPCD 10 days in advance of work by Haydon Const.
SWPPP REV 11-2016	Mok Engineering			\$ -	\$ 3,427.00		Design and Extension as it had lapsed in system from 2014-2016, Mok costs for updating \$2,900, and permit costs \$527.00
SWPPP Original Fee	FMFCD			\$ -	\$ -		Original Fee when the plans were first submitted
	<b>Construction Subtotal</b>			\$ -	\$ 45,357.36	\$ -	
<b>SITE IMPROVEMENTS</b>							
Storm Drain Extension	Haydon			\$ -	\$ 383,475.00		
Storm Drain Extension to WPA	Allowance			\$ -	\$ 181,521.40		50 linear feet of stub to WPA was included. Based upon a linear footage cost from proposal, pipe is \$330/linear foot x 680 linear feet required for second phase
Relocate Trailer	Allowance				\$ 4,000.00		Lisa C. and Brian G. working on this cost, Haydon \$3,500-water and sewer (incl'd. \$1k if backflow req'd), Collins Electric \$? Figured just moving trailer in and out at the same location for this dollar amount.
Temporary Chain Link Fencing	Haydon			\$ -	\$ -		As per Specs- Contractor furnished
Concrete stamped flatwork				\$ -	\$ 9,800.00		Figured at \$7/sf x 140 linear feet x 10 feet wide, demo and offhaul of existing asphalt done by Haydon Const. during storm drain install work
	<b>Site Improvements Subtotal</b>			\$ -	\$ 578,796.40	\$ -	
<b>OFFSITE IMPROVEMENTS</b>							
				\$ -	\$ -		
				\$ -	\$ -		
	<b>Offsite Improvements Subtotal</b>			\$ -	\$ -		
			<b>SUBTOTALS</b>	\$ -	\$ 624,153.76	\$ -	
<b>Management Costs</b>							
Preconstruction Services				\$ -	\$ -		Mark Mathieson and Jon W. time charged to FCZ prior to Mike E.
Management Services	Soltek Pacific			\$ -	\$ 14,670.00	\$ -	Prebid 30 hours, Construction 80 hours, Closeout 16 hours
	Contingency			\$ -	\$ 31,207.69		5% for unexpected issues in field due to existing underground lines
	<b>TOTAL</b>			\$ -	\$ 670,031.45		



Fresno Chaffee Zoo Corporation  
894 W. Belmont Ave  
Fresno, CA 93728  
(559) 498-5919 office  
[SBarton@fresnochaffeezoo.org](mailto:SBarton@fresnochaffeezoo.org)

12-16-16

Reference: Request for Budget Proposal  
Storm Drain pipeline extension project

Dear Mr. Barton:

Soltek Pacific Construction Company is pleased to express our interest and submit a proposal for project management services on the Storm Drain pipeline extension project located at Fresno Chaffee Zoo. Soltek Pacific Construction has now assisted the Zoo over the last 14 months on the African Exhibit, review of existing project documents including working with the City in permit extensions, and other incidental projects required in the African Exhibit mitigation measures documentation.

We trust that our staff has demonstrated their ability to manage multiple projects while still focusing on the details required for your world class facility. We were an essential contributor in getting the African Exhibit finished, and open for the public and staff to enjoy. Other various tasks have allowed both parties to gain a general understanding of how we operate, and now we would welcome the opportunity to function in a much greater capacity with overseeing projects such as this one from concept to completion. We believe our staff can be a great asset to your team based upon many years of experience managing different delivery methods, especially pre-construction.

The following describes our overall approach to the management of the construction activities involved, and working knowledge of the project.

## **Scope and Deliverables**

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### **Construction Phase Services**

- ◆ The project manager will provide weekly project updates to FCZ Management including the following:
  - Analysis of the current project schedule and report any changes to the projects anticipated completion date
  - Status of the Owner's contingency including approved and anticipated change orders
  - Status of all closed, current and outstanding information requests, submittals and other items that need timely response by the Architect, Owner or Contractor
- ◆ In addition to the weekly reports the project manager will also:
  - Attend all construction meetings and provide meeting minutes
  - Provide change order evaluation and recommendations
  - Maintain complete and accurate document files
  - Assist with writing and negotiating contracts with trade contractors for the project
  - Provide written reports on all site visits including reason for visit and all items discussed during visit. Photographs of work in place will also be taken and provided via digital files at end of project or upon request by Owner.
  - Review pay applications and provide written recommendations on any modifications needed



### Fees, Conditions and Schedule

Soltek Pacific Construction company will provide professional project management resources suited to all phases of the Storm Drain pipeline extension project. The rates for these resources are as follows:

Construction Project Manager:	\$125.00 per hour
Project Manager:	\$110.00 per hour
Administrative Assistant:	\$45.00 per hour

Description	Estimated Hours	Rate	Estimated Cost
Construction Project Manager	30	\$125	\$3,750.00
Project Manager	96	\$110	\$10,560.00
Administrative Assistant	8	\$45	<u>\$360.00</u>
Total Costs			\$14,670.00

NOTE: This price represents an estimate based upon information gathered. If lesser hours are expended, a lower overall cost will be billed. If additional hours are required, authorization would be sought prior to exceeding the number of hours estimated.

Our team is ready to proceed with management services upon acceptance of the listed costs. I will remain the point of contact for FCZ including addressing any questions that you might have upon review of this document.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Elrod", is written over a horizontal line.

Mike Elrod, CM  
Soltek Pacific Construction

Cc: Ronald L. Hicks, VP, Soltek Pacific Construction  
Brian Goldman, CFO, Fresno Chaffee Zoo Corporation



550 West Locust Avenue  
Fresno CA 93650  
P 559.497.2880  
F 559.497.2886  
www.bskassociates.com

Sent via email: [bgoldman@fresnochaffeezoo.org](mailto:bgoldman@fresnochaffeezoo.org)

November 9, 2016

BSK Proposal CF16-14461R

Mr. Brian Goldman  
Fresno Chaffee Zoo  
894 W. Belmont Avenue  
Fresno, California 93728

**SUBJECT: Proposal for Special Inspection and Materials Testing  
Fresno Chaffee Zoo Storm Drainage Extension  
894 W. Belmont Avenue  
Fresno, California 93728**

Dear Mr. Goldman:

We are pleased to submit this revised proposal to provide Special Inspection and Materials Testing for the Fresno Chaffee Zoo Storm Drainage Extension project in Fresno, California.

#### **SCOPE OF SERVICES**

Our scope of services for this project includes:

- soils observations and compaction testing.

BSK understands that Fresno Chaffee Zoo will be constructing an extension of the existing storm drain pipeline.

#### **SCOPE EXCLUSIONS**

Our scope of services excludes:

- concrete and asphaltic concrete testing.

#### **FEES**

We will charge our services on a **time and materials basis** in accordance with the hourly rates listed in the Cost Estimate below. The hours listed in our Cost Estimate are only estimates, as we cannot account

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Proposal for Special Inspection and Materials Testing  
Fresno Chaffee Zoo Storm Drainage Extension  
Fresno, California

BSK Proposal CF16-14461R  
November 9, 2016  
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for delays of which we have no control, such as, but not limited to: retest and reinspections, contractor's schedule, contractor's means and methods, or number of workers on contractor's crew. We will separate retests, reinspections, standby, cancellations, and extra work on the monthly invoices as these will increase the total billing beyond what we estimated. We understand that this project will be subject to prevailing wage requirements. Travel time and mileage will be billed on a "portal-to-portal" basis from BSK-Fresno, with an on-site minimum of 2-hours, and 1-hour increments thereafter. Invoices will be submitted on monthly intervals based on the work completed during the invoice period. Any testing requested beyond that noted on the Cost Estimate will be charged in accordance with the 2016 BSK Fee Schedule rates. To accommodate construction schedules, BSK may subcontract special inspectors. Inspections performed by subcontract providers will be billed as specified for BSK employees, herein, and at the rates included in the Cost Estimate. BSK has a \$1,000 project minimum. If the total charges incurred for a project is less than \$1,000, the total billing will be \$1,000.

### Cost Estimate

FIELD SERVICES	DAYS	HRS/DAY	HOURS	RATE	EXTENSION
<b>Earthwork Construction</b>					
Compaction Testing Technician (Pipeline)	28	8	224	\$93.00	\$20,832.00
Compaction Testing Technician (Basin)	4	8	32	\$93.00	\$2,976.00
Soil Sample Pick Up For Compaction Curve	1	2	2	\$93.00	\$186.00
<b>Asphaltic Concrete Construction</b>					
Compaction Testing Technician	2	8	16	\$93.00	\$1,488.00
	TRIPS	HRS/TRIP	HOURS	RATE	EXTENSION
<b>Mobilization / Travel</b>	35	1	35	\$93.00	\$3,255.00
	TRIPS	MI/TRIP	MILES	RATE	EXTENSION
<b>Mileage</b>	35	21	735	\$0.88	\$646.80
<b>FIELD SERVICES ESTIMATE</b>					<b>\$29,383.80</b>

LABORATORY TESTING	FREQUENCY	SETS/UNITS	RATE	EXTENSION
Compaction Curves - Base Rock (6" Mold)	1 per material	1	\$225.00	\$225.00
Compaction Curves - Site Soils (4" Mold)	1 per material	3	\$210.00	\$630.00
<b>LABORATORY TESTING ESTIMATE</b>				<b>\$855.00</b>

PROJECT MANAGEMENT & ADMINISTRATION	HOURS	RATE	EXTENSION
Registered Engineer (Review, support and reporting)	3	\$175.00	\$525.00
Project Manager (Field Oversight, Daily Report Review)	8	\$155.00	\$1,240.00
Administration (Data Processing, Report Prep., Field Coordination)	7%		\$2,071.44
<b>ADMINISTRATION ESTIMATE</b>			<b>\$3,836.44</b>
<b>TOTAL BUDGET ESTIMATE</b>			<b>\$34,075.24</b>

We based our Cost Estimate on the following assumptions:

- All field work will occur during normal business hours Monday through Friday;
- 8-hour work days (including travel time);
- Overtime will be charged at 1.5 times the hourly rate (for working 8 to 12 hours in one day);
- Shops and batch plants (if any) are local to Bakersfield, Fresno, or the Jobsite;
- Welding inspections are at a single shop for a single shift;
- Safe and adequate access to perform testing and inspections is to be provided by the shop, contractor, or client



Proposal for Special Inspection and Materials Testing  
Fresno Chaffee Zoo Storm Drainage Extension  
Fresno, California

BSK Proposal CF16-14461R  
November 9, 2016  
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It is our practice to notify you if it appears that our fees will exceed this estimation; although, due to the timing and nature of our services, this may not always be possible. BSK will make every effort to respond to the needs of your project. However, to provide better service, we ask that you schedule inspection and testing services at least 48 hours in advance. To avoid show-up charges, please cancel requests for service at least two working hours in advance of our arrival time.

## GENERAL CONDITIONS AND LIMITATIONS

We have included a copy of the Agreement for Construction Materials Testing Services with this proposal and our General Conditions for Construction Materials Engineering and Testing Services.

We provide material testing and inspection services to help verify that the work is in conformance with the project documents. These services shall not be construed as acceptance of the work or relieve the contractor in any way from its obligations and responsibilities as outlined in the applicable construction documents. We assume no responsibility for the safety of others on the jobsite or the means and methods of construction.

We will perform our services consistent with that level of care and skill ordinarily exercised by other consultants practicing in the same discipline and locale at the time the services are performed. No other warranties, either express or implied are provided. If changes occur in the design of the project, please notify us in writing.

## AUTHORIZATION

If our proposal and general conditions are acceptable, please sign our agreement and return to us. We will countersign the agreement and return a copy to you.

We appreciate the opportunity to work with you on this project. If you have any questions, or require additional information or services, please contact the undersigned at (559) 497-2868.

Sincerely,  
BSK Associates

  
Andy Neufeld  
Project Manager  
Construction Services Group



On Man Lau, GE  
South Valley Regional Manager  
GE 2644

AN/OML/cc



Proposal for Special Inspection and Materials Testing  
Fresno Chaffee Zoo Storm Drainage Extension  
Fresno, California

BSK Proposal CF16-14461R  
November 9, 2016  
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Enclosures:     Agreement for Construction and Materials Testing Services  
                     General Conditions for Construction and Materials Testing Services





Proposal for Special Inspection and Materials Testing  
Fresno Chaffee Zoo Storm Drainage Extension  
Fresno, California

BSK Proposal CF16-14461R  
November 9, 2016  
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# AGREEMENT FOR CONSTRUCTION MATERIALS ENGINEERING AND TESTING SERVICES

**THIS AGREEMENT**, effective as of this \_\_\_\_\_ day of \_\_\_\_\_ 2016, is by and between Fresno Chaffee Zoo ("Client") and BSK Associates ("Consultant").

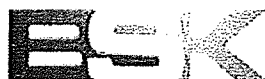
**THE PROJECT** is generally described as Fresno Chaffee Zoo Storm Drainage Extension at 894 W. Belmont Avenue in Fresno, California 93728.

**THIS AGREEMENT** consists of the following documents which are incorporated herein by reference:

- General Conditions for Construction and Materials Testing Services;
- Consultant's Scope of Services presented in BSK's proposal CF16-14461R, dated November 9, 2016.

Consultant agrees to perform the Services set forth in this Agreement and in accordance with its terms, including all attachments incorporated herein by reference. This Agreement may not be modified or altered, except in writing as specifically described in this Agreement.

	Client	Consultant
Signature:		
Print Name:		On Man Lau
Title:		South Valley Regional Manager
Company:	Fresno Chaffee Zoo	BSK Associates
Address:	894 W. Belmont Avenue	550 West Locust Avenue
	Fresno, California 93728	Fresno, California 93650
Date:		



# GENERAL CONDITIONS FOR CONSTRUCTION MATERIALS ENGINEERING & TESTING SERVICES

## 1. DEFINITIONS

**1.1 Contractor.** The contractor or contractors, and including its/their subcontractors of every tier, retained to perform construction Work on the Project for which Company is providing Services under this Agreement.

**1.2 Day(s).** Calendar day(s) unless otherwise stated.

**1.3 Hazardous Materials.** Any toxic substances, chemicals, radioactivity, pollutants or other materials, in whatever form or state, known or suspected to impair the environment in any way whatsoever. Hazardous Materials include, but are not limited to, those substances defined, designated or listed in any federal, state or local law, regulation or ordinance concerning hazardous wastes, toxic substances or pollution.

**1.4 Inspection (or Observation).** Visual determination of conformance with specific or, on the basis of Company's professional judgment, general requirements.

**1.5 Services.** The professional services provided by Company under this Agreement, including all services described in the SCOPE OF SERVICES included in Exhibit A, and any written Task Order or amendment to this Agreement.

**1.6 Testing.** Measurement, examination, performance of tests, and any other activities to determine the characteristics or performance of materials.

**1.7 Work.** The labor, materials, equipment and services of Contractor.

## 2. SCOPE OF SERVICES

**2.1 Services Provided; Independent Contractor.** Company will provide construction materials engineering and testing services as set forth in the SCOPE OF SERVICES in Exhibit A. Company will perform its Services under this Agreement as an independent contractor.

**2.2 Authority of Company.** Company will report observations and data to the Client. Company will report any observed work to the Client or Client's representative, which, in Company's opinion, does not conform with plans, specifications, and codes applicable to the Project. Company has no right or responsibility to approve, accept, reject, or stop work of any agent of the Client.

**2.3 Referenced Standards.** Company will perform all standard tests, inspections and observations in general accordance with referenced standards and makes no representation regarding compliance with any other standards.

**2.4 Variation of Material Characteristics and Conditions.** Observations and standardized sampling, inspection and testing procedures employed by Company will indicate conditions of materials and construction activities only at the precise location and time where and when Services were performed.

Client recognizes that conditions of materials and construction activities at other locations may vary from those measured or observed, and that conditions at one location and time do not necessarily indicate the conditions of apparently identical material(s) at other locations and times. Services of Company, even if performed on a continuous basis, should not be interpreted to mean that Company is observing, verifying, testing or inspecting all materials on the Project. Company is responsible only for those data, interpretations, and recommendations regarding the actual materials and construction activities observed, sampled, inspected or tested, and is not responsible for other parties' interpretations or use of the information developed. Company may make certain inferences based upon the information derived from these procedures to formulate professional opinions regarding conditions in other areas.

**2.5 Changes in Scope.** Client may request changes in the SCOPE OF SERVICES in Exhibit A. Such changes, including any change in Company's compensation or time of performance, which are mutually agreed upon by Company and Client, will be incorporated in written amendments to this Agreement. No change will be effective unless it is in writing and signed by Client and Company, or if made orally, confirmed by the parties in writing within 10 days.

**2.6 Excluded Services.** Company's Services under this Agreement include only those Services specified in the SCOPE OF SERVICES in Exhibit A. Client expressly releases any claim against Company relating to any additional Services that Company recommended, but that Client either did not authorize or instructed Company not to perform.

## 3. PAYMENTS TO COMPANY

**3.1 Basic Services.** Company will perform all Services set forth in the SCOPE OF SERVICES AND SCHEDULE OF CHARGES for the amount(s) set forth therein. Company will give Client at least 30 days advance notice of any changes to its standard rates. Unless Client objects in writing to the amended fee structure within 30 days of notification, it will be incorporated into this Agreement and will supersede any prior fee structure.

**3.2 Additional Services.** Any Services performed under this Agreement, except those Services expressly identified otherwise in the attached SCOPE OF SERVICES in Exhibit A, will be provided on a time and materials basis unless otherwise specifically agreed to in writing by both parties.

**3.3 Estimate of Fees.** Company will, to the best of its ability, perform the Services and accomplish the objectives defined in this Agreement within any written cost estimate provided by Company. Client recognizes that unforeseen circumstances along with changes in scope and schedule can influence the successful completion of Services within the estimated cost. The use of an estimate of fees or of a "not to

exceed" limitation indicates that Company will not incur fees and expenses in excess of the estimate or limitation amount without obtaining Client's agreement to do so, but is not a guarantee that the Services will be completed for that amount.

**3.4 Rates.** Client will pay Company at the rates set forth in the SCHEDULE OF CHARGES in Exhibit A, which is subject to periodic review and amendment, as appropriate to reflect Company's then-current fee structure.

**3.5 Prevailing Wages.** Unless Client specifically informs Company in writing that prevailing wage regulations cover the Project and the SCOPE OF SERVICES in Exhibit A identifies it as covered by such regulations, Client hereby releases and agrees to reimburse Company for any liability and costs it may incur resulting from a subsequent determination that prevailing wage regulations cover the Project, including all costs, fines and attorney's fees.

**3.6 Payment Timing; Late Charge.** Company will submit invoices to Client periodically, but no more frequently than every two (2) weeks. All invoices are due and payable upon presentation, and any amounts unpaid 30 days after the invoice date will include a late payment charge from the date of the invoice, at 1-1/2% per month or the maximum legal rate, whichever is lower. The failure by Client to pay Company within thirty (30) days of date of invoice will constitute a substantial failure of Client to perform under this Agreement. Client will reimburse Company for all time spent and expenses (including fees of any attorney, collection agency, and/or court costs) incurred in connection with collecting any delinquent amount.

**3.7 Payment Disputes.** If Client objects to any portion of an invoice, Client must so notify Company in writing within 10 days of the invoice date, identify the cause of disagreement, and pay when due the portion of the invoice not in dispute. The parties will immediately make every effort to resolve the disputed portion of the invoice. Payment thereafter will first be applied to accrued interest and then to the unpaid principal amount.

#### 4. PERFORMANCE STANDARD

**4.1 Professional Standards.** Company will perform the Services consistent with that level of care and skill ordinarily exercised by other professionals providing similar services in the same locale and under similar circumstances at the time the Services are performed. No other representation, express or implied, and no warranty or guarantee is included or intended by this Agreement or any report, opinion, document, or other instrument of service.

**4.2 Sampling, Inspection & Test Locations.** Unless specifically stated otherwise, the SCOPE OF SERVICES in Exhibit A does not include surveying the Site or precisely identifying sampling, inspection or test locations, depths or elevations. Sampling, inspection and test locations, depths and elevations will be based on field estimates and information furnished by Client and its representatives. Unless stated otherwise in the report, such locations, depths and elevations are approximate. Company will take reasonable precautions to limit damage to the Project Site or Work due to the performance of Services, but Client understands that some damage may necessarily occur in the normal course of

Services, and this Agreement does not include repair of such damage unless specifically stated in the SCOPE OF SERVICES in Exhibit A.

**4.3 Sample Disposal.** Company will dispose of all samples after submission of the report covering those samples. Company will provide further storage or transfer of samples only upon Client's prior written request and agreement on appropriate compensation.

**4.4 Buried Utilities & Structures; Property Restoration.** If the Services require borings, test pits or other invasive exploratory work, Client will provide Company with all information in its possession regarding the location of underground utilities and structures. Company will contact an appropriate utility locator and take into consideration utility locations shown on drawings provided to Company by the Client to reduce the risk of damage or injury to underground structures, pipelines and utilities. The Client agrees to hold Company harmless for any damage to underground structures or utilities that are not called to its attention or are not correctly shown on plans or drawings furnished for the purpose of locating such structures and utilities. If Client desires Company to restore the property to its former condition or better, Company will provide the additional Services at an additional cost.

#### 5. CONTRACTOR'S PERFORMANCE

Company is not responsible for Contractor's means, methods, techniques or sequences during the performance of its Work. Company will not supervise or direct Contractor's Work, nor be liable for any failure of Contractor to complete its Work in accordance with the Project's plans, specifications and applicable codes, laws and regulations. Client understands and agrees that Contractor, not Company, has sole responsibility for the safety of persons and property at the Project Site.

#### 6. CLIENT'S RESPONSIBILITIES

In addition to payment for the Services performed under this Agreement, Client agrees to:

**6.1 Access.** Grant or obtain free access to the Project Site for all equipment and personnel necessary for Company to perform its Services under this Agreement.

**6.2 Representative.** Designate a representative for notices and information pertaining to the Services, communicate Client's policies and decisions, and assist as necessary in matters pertaining to the Project and this Agreement. Client may change its representative by written notice.

**6.3 Information.** Supply to Company all information and documents relevant to the Services. Company may rely upon such information without independently verifying its accuracy. Client will notify Company of any known potential or possible health or safety hazard regarding the materials to be tested, including its intended use, chemical composition, relevant MSDS, manufacturers' specifications and literature, and any previous test results.

**6.4 Project Information.** Client agrees to provide Company within 7 days after written request, a correct statement of the recorded legal title to the property on which

the Project is located and the Client and/or Owner's interest therein.

## 7. CHANGED CONDITIONS

If Company discovers conditions or circumstances that it did not contemplate ("Changed Conditions") at the time of this Agreement, it will give Client written notice of the Changed Conditions. Client and Company will then negotiate an appropriate amendment to this Agreement. If they cannot agree upon an amendment within 30 days after the notice, Company may terminate this Agreement and be compensated as set forth in Section 12, "Suspension & Delay; Termination."

## 8. CERTIFICATIONS

Client will not require Company to execute any certification regarding Services performed or Work tested or observed unless: 1) Company believes that it has performed sufficient Services to provide a sufficient basis to issue the certification; 2) Company believes that the Services performed and Work tested or observed meet the criteria of the certification; and 3) Company has reviewed and approved in writing the exact form of such certification prior to execution of this Agreement. Any certification by Company is limited to the expression of a professional opinion based upon the Services performed by Company, and does not constitute a warranty or guarantee, either express or implied. Client agrees not to condition the resolution of any dispute upon Company signing a certification.

## 9. ALLOCATION OF RISK

**9.1 Limitation of Remedy.** The total cumulative liability of Company, its subconsultants and subcontractors, and all of their respective shareholders, directors, officers, employees and agents (collectively "Company Entities") to Client arising from Services under this Agreement, including attorney's fees due under this Agreement, will not exceed the gross compensation received by Company under this Agreement or \$50,000, whichever is less. This limitation applies to all lawsuits, claims or actions that allege errors or omissions in Company's Services, whether alleged to arise in tort, contract, warranty, or other legal theory. Upon Client's written request, Company and Client may agree to increase the limitation to a greater amount in exchange for a negotiated increase in Company's fee, provided that the parties amend this Agreement in writing, as provided in Section 14.3 "Modification of This Agreement."

**9.2 Indemnification of Client.** Subject to the terms and limitations of this Agreement, Company will indemnify and hold harmless Client, its shareholders, officers, directors, employees, and agents from and against any and all claims, suits, liabilities, damages, expenses (including without limitation reasonable attorney's fees and defense costs) and other losses (collectively "Losses") to the extent caused by Company's negligence in performance of this Agreement. Company's defense obligation under this indemnity paragraph is limited to the reimbursement of reasonable defense costs to the extent of the Company's actual indemnity obligation hereunder.

**9.3 Indemnification of Company.** Client will indemnify and hold harmless Company Entities from and against any and all Losses except to the extent caused by the sole negligence of Company Entities. In addition, except to the extent caused by Company's negligence, Client will defend, indemnify and hold harmless Company Entities from and against any and all Losses arising from or related to the existence, disposal, release, discharge, treatment or transportation of Hazardous Materials, or the exposure of any person to Hazardous Materials, or the degradation of the environment due to the presence, discharge, disposal, release of or exposure to Hazardous Materials.

**9.4 No Personal Liability.** Client and Company intend that Company's Services will not subject Company's individual employees, officers or directors to any personal liability. Therefore, and notwithstanding any other provision of this Agreement, Client agrees as its sole and exclusive remedy to direct or assert any claim, demand or suit only against the business entity identified as "Company" on the first page of this Agreement.

**9.5 Consequential Damages.** Neither Client nor Company will be liable to the other for any special, consequential, incidental or penal losses or damages including but not limited to losses, damages or claims related to the unavailability of property or facilities, shutdowns or service interruptions, loss of use, profits, revenue, or inventory, or for use charges, cost of capital, or claims of the other party and/or its customers.

**9.6 Continuing Agreement.** The provisions of this Section 9, "Allocation of Risk," will survive the expiration or termination of this Agreement. If Company provides Services to Client that the parties do not confirm through execution of an amendment to this Agreement, the provisions of this Section 9 will apply to such Services as if the parties had executed an amendment.

## 10. INSURANCE

**10.1 Company's Insurance.** If reasonably available, Company will maintain the following coverages:

**10.1.1 Statutory Workers' Compensation/Employer's Liability Insurance;**

**10.1.2 Commercial General Liability Insurance with a combined single limit of \$1,000,000;**

**10.1.3 Automobile Liability Insurance, including liability for all owned, hired and non-owned vehicles with minimum limits of \$1,000,000 for bodily injury per person, \$1,000,000 property damage, and \$1,000,000 combined single limit per occurrence; and,**

**10.1.4 Professional Liability Insurance in amounts of at least \$1,000,000 per claim and annual aggregate.**

**10.2 Client's Insurance.** As appropriate, Client will obtain Builder's Risk or other property insurance to protect it from injury or damage to the Project, and which waives all rights of subrogation against Company. Proceeds from such insurance will be held by Client as trustee and will be payable to Company as its interests appear.

**10.3 Certificates of Insurance.** Upon request, Company and Client will each provide the other with certificate(s) of insurance evidencing the existence of the policies required herein. Except for Professional Liability and Workers' Compensation Insurance, all policies required under this Agreement shall contain a waiver of subrogation.

## 11. OWNERSHIP AND USE OF DOCUMENTS

**11.1 Company Documents.** Unless otherwise agreed in writing, all documents and information prepared by Company including, but not limited to, reports, boring logs, maps, field data, field notes, drawings and specifications, test data and other similar instruments of service (collectively "Documents") are the property of Company. Company has the right, in its sole discretion, to dispose of or retain the Documents.

**11.2 Client Documents.** All documents provided by Client will remain the property of Client. Company will return all such documents to Client upon request, but may retain copies for its files.

**11.3 Use of Documents.** Except as otherwise agreed to by Client and Company, all Documents prepared by Company are solely for use by Client and will not be provided by either party to any other person or entity without Company's prior written consent.

**11.3.1 Use by Client.** Client has the right to reuse the Documents for purposes reasonably connected with this Project for which the Services are provided, including without limitation design and licensing requirements of the Project.

**11.3.2 Use by Company.** Company retains the right of ownership with respect to any patentable concepts or copyrightable materials arising from Services and the right to use the Documents for any purpose.

**11.4 Electronic Media.** Company may agree at Client's request to provide Documents and information in an electronic format as a courtesy. However, the paper original issued by Company will remain the final product of the Services. Company makes no warranties, either express or implied, regarding the fitness or suitability of any electronic Documents or media.

**11.5 Unauthorized Use.** No party other than Client may rely on the Documents without Company's prior written consent and receipt of additional compensation. Client waives any and all claims against Company resulting from the unauthorized use or alteration of Documents by Client or any party obtaining them through Client. Client will defend, indemnify and hold harmless Company from and against any claim, action or proceeding brought by any party claiming to rely upon information or opinions contained in Documents without having obtained Company's prior written consent.

## 12. SUSPENSION & DELAY; TERMINATION

**12.1 Suspension & Delay.** Client may, upon 10 days written notice at any time, suspend Company's Services. Company may terminate this Agreement if Client suspends the Services for more than 60 days, in which case Client will pay Company as provided in Section 12.4. If Client suspends the Services, or

if Client or others delay Company's Services, Client and Company agree to equitably adjust the time for completion of the Services and Company's compensation for the additional labor, equipment, and other charges associated with maintaining its workforce for Client's benefit during the delay or suspension, and any charges incurred by Company for demobilization and subsequent remobilization.

**12.2 Termination for Convenience.** Company and Client may terminate this Agreement for convenience upon 10-days written notice delivered or mailed to the other party.

**12.3 Termination for Cause.** In the event of material breach of this Agreement, the non-breaching party may terminate this Agreement if the breaching party fails to cure the breach within 10 days following delivery of the non-breaching party's written notice of the breach to the breaching party. The termination notice must state the basis for the termination. The Agreement may not be terminated for cause if the breaching party cures the breach within the 10-day period.

**12.4 Payment on Termination.** Following termination other than for Company's breach of this Agreement, Client will pay Company for the Services performed prior to the termination notice date, and for any necessary Services and expenses incurred in connection with the termination of the Project, including but not limited to, the costs of completing analysis, records and reports necessary to document job status at the time of termination and costs associated with termination of subcontractor contracts in accordance with Company's then-current SCHEDULE OF CHARGES in Exhibit A.

**12.5 Force Majeure.** In the event that Company is prevented from completing performance of its obligations under this Agreement by adverse weather or other occurrence beyond the control of Company, then Company will be excused from any further performance of its obligations and undertakings. In the event of a force majeure delay that does not result in termination of the Agreement, the schedules will be equitably adjusted.

## 13. DISPUTES

**13.1 Mediation.** All disputes between Company and Client are subject to mediation. Either party may demand mediation by serving a written notice stating the essential nature of the dispute, the amount of time or money claimed, and requiring that the matter be mediated within 45 days of service of notice. No action or suit may be commenced unless the parties fail to conduct the mediation within 45 days after service of notice; or mediation occurred but did not resolve the dispute; or a statute of limitation would elapse if suit was not filed prior to 45 days after service of notice.

**13.2 Choice of Law; Venue.** This Agreement will be construed in accordance with and governed by the laws of the state in which the Project is located.

**13.3 Statutes of Limitations.** Any applicable statute of limitations will be deemed to commence running on the earlier of the date of substantial completion of Company's Services under this Agreement or the date on which claimant knew, or should have known, of facts giving rise to its claims.

#### 14. MISCELLANEOUS

**14.1 Assignment and Subcontracts.** During the term of this Agreement and following its expiration or termination for any reason, neither party may assign this Agreement or any right or claim under it, in whole or in part, without the prior written consent of the other party, except for an assignment of proceeds for financing purposes. Any assignment that fails to comply with this paragraph will be void and of no effect. Company may subcontract for the services of others without obtaining Client's consent if Company deems it necessary or desirable for others to perform certain Services.

**14.2 Integration and Severability.** This Agreement reflects the parties' entire agreement with respect to its terms and limitations and supersedes all prior agreements, written and oral. If any portion of this Agreement is found void or voidable, such portion will be deemed stricken and the Agreement reformed to as closely approximate the stricken portions as law allows. These terms and conditions survive the completion of the Services under and the termination of the Agreement, whether for cause or for convenience.

**14.3 Modification of This Agreement.** This Agreement may not be modified or altered, except by a written agreement signed by authorized representatives of both parties and referring specifically to this Agreement.

**14.4 Notices.** Any and all notices, requests, instructions, or other communications given by either party to the other must be in writing and either hand delivered to the recipient or delivered by first-class mail (postage prepaid) or express mail (billed to sender) at the addresses given in this Agreement.

**14.5 Headings.** The headings used in this Agreement are for convenience only and are not a part of this Agreement.

**14.6 Waiver.** The waiver of any term, condition or breach of this Agreement will not operate as a subsequent waiver of the same term, condition, or breach.

**14.7 Precedence.** These GENERAL CONDITIONS take precedence over any inconsistent or contradictory provisions contained in any other agreement term, proposal, purchase order, requisition, notice to proceed, or other document regarding Company's Services.

**14.8 Incorporation of Provisions Required By Law.** Each provision and clause required by law to be inserted in this Agreement is included herein, and the Agreement should be read and enforced as though each were set forth in its entirety herein.

---

*End of General Conditions*

Attachment A

BID PROPOSAL FORM

PROPOSER: Haydon Construction Co. Inc.

Proposals will be received until 11:00:00 A.M. Pacific Standard time on the 17<sup>th</sup> day of November 2016, and will be opened the same day in the main administrative office of Fresno Chaffee Zoo Corporation (FCZC). After evaluation of bids, the proposers will be notified of who the selected low responsive and qualified proposer is and selected proposer will receive the Letter of Intent/Notice to Proceed from FCZC by November 21st, 2016, or there about.

TO:

Ladies and Gentlemen:

The undersigned having examined the Referenced Documents, Specifications, and Drawings entitled

**Storm Drainage Pipeline Extension project**

As stated in FCZC's Notice Inviting Bidders, Project No 310410, City Permit No 14-0271, dated October 18, 2016, which composes the Contract Documents including General Conditions, and having visited the site and examined all conditions affecting the work, hereby proposes and agrees to furnish all operations necessary to complete the entire work, as required by said Contract Documents including General Conditions for the stipulated sum of

Three Hundred eight three thousand,  
four hundred seventy five dollars (\$383,475.00) DOLLARS.  
\$ 16 cents.

The undersigned agrees, if awarded the Contract, to execute and construct the entire work complete and ready for use, as certified by City w/ Certificate of Occupancy issuance, by January 27th after receipt of notice to proceed with work, expected approximately on November 21, 2016. If awarded the Contract, the undersigned hereby agrees to sign said Contract and furnish necessary bonds (100% performance and 100% payment, etc.), within five days (5) days from the date of selection notification from the FCZC so to do, and begin work no later than December 12<sup>th</sup> 2016.

The undersigned has checked carefully all the above figures and understands that the FCZC will not be responsible for any errors or omissions on the part of the undersigned in making up this bid.

The undersigned hereby certifies that this bid is genuine and not sham or collusive, or made in the interests or on behalf of any person not herein named, and that the undersigned has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or any other person, firm, or corporation to refrain from bidding, and that the undersigned has not in any manner sought by collusion to secure for himself an advantage over any other bidder.

Attachment A

Enclosed find Proposer's Bond, United Fire & Casualty the amount of Five Percent (5%) of the bid.

The undersigned acknowledges receipt of the following addenda: 1 & 2

The undersigned acknowledges receipt of all Reference Documents as listed in the Notice Inviting Bidders dated 10-18-2016.

The undersigned has attached a preliminary schedule with their proposal for consideration by FCZ for the project.

SUBMITTED BY (OFFICER):

[Signature]

TITLE: Alan Hayden Pres./CEO

PROPOSER:

Haydon Construction Co. Inc.

LICENSE NO: A-458977

WITNESSED BY (OFFICER):

[Signature]

TITLE: Valerie Kepp Corp. Secretary





**AMENDMENT NUMBER 1 TO THE BID DOCUMENTS**

Amendment Date: November 3, 2016

**BID DOCUMENT**

A. This Amendment shall be considered part of the bid documents for the above-mentioned project as though it had been issued at the same time and shall be incorporated integrally therewith. Where provisions of the following supplementary data differ from those of the original bid documents, this Amendment shall govern and take precedence. BIDDERS MUST SIGN THE AMENDMENT AND SUBMIT IT WITH THEIR BIDS.

B. Bidders are hereby notified that they shall make any necessary adjustments in their estimates as a result of this Amendment. It will be construed that each bidder's proposal is submitted with full knowledge of all modifications and supplemental data specified herein.

Except as described below, the original bid document remains unchanged. The bid documents are modified and/or clarified, as follows:

**1. Changes to Specifications:**

- Modifications to Table of Contents
- Addition of Specification Section 02 28 00 Soil Sterilization
- Addition of Specification Section 01 40 00 Quality Control Services
- Addition of Specification Section 31 50 00 Asphaltic Concrete
- Addition of Specification Section 31 60 00 Aggregate Base Course

If you need further directions regarding the location of this pre-bid conference, please contact Mike Elrod at melrod@soltekpacific.com or phone 559-896-8668.

**BIDDER MUST ACKNOWLEDGE THIS AMENDMENT BY SIGNING BELOW AND ATTACHING THE SIGNED AMENDMENT TO THE BID FORM:**

Company Name Lauder Construction Co. Inc.  
Contact Person Alan Laud  
Signature [Handwritten Signature]  
Date 11/17/16

**AMENDMENT NUMBER 2 TO THE BID DOCUMENTS**

Amendment Date: November 8, 2016

**BID DOCUMENT**

**A. This Amendment shall be considered part of the bid documents for the above-mentioned project as though it had been issued at the same time and shall be incorporated integrally therewith. Where provisions of the following supplementary data differ from those of the original bid documents, this Amendment shall govern and take precedence. BIDDERS MUST SIGN THE AMENDMENT AND SUBMIT IT WITH THEIR BIDS.**

**B. Bidders are hereby notified that they shall make any necessary adjustments in their estimates as a result of this Amendment. It will be construed that each bidder's proposal is submitted with full knowledge of all modifications and supplemental data specified herein.**

Except as described below, the original bid document remains unchanged. The bid documents are modified and/or clarified, as follows:

**1. Changes to Bid Documents;**

- a. Modifications to General Conditions, dated REV 11-7-16
- b. Revised Plan Indicating new Tie-In location from Mok Engineering, dated 11-8-16
- c. Addition of Spec 02 90 00 Seeding, dated 11-8-16

**BID DATE CLARIFICATION:** Bid Date is November 17<sup>th</sup> 2016 at 11:00 am PST

Bids to be turned into Fresno Chaffee Zoo Main Administration office as noted in bid documents.

**2. Responses to RFI's originating from Job Walk:**

- a. As per Attachment 'A' Bid Proposal Form, the Bid Bond amount shall be five percent (5%) of the total costs of the bid amount.
- b. Contractors as per Specification Section 31 20 00 Earthwork-Excavation, Filling, & Grading are responsible to contact USA/Dig Alert Services in advance of starting any work onsite that involves excavation. FCZ recommends requesting immediately upon NTP.
- c. Discharge Pipe Removal-Final direction by Owner will be provided once potholing has occurred onsite by Contractor. Contractor shall provide a pump to remove discharge water if required. See attached Sea Lion Cove drawings (Sheets C110, C111, C121) for coordination purposes.
- d. Owner will move the temporary office trailer for a period no greater than 7 calendar days. This provides the Contractor time to complete the storm drain pipeline work between the double set of chain link gates located on either end of trailer. Owner is responsible for move in/out of temporary office trailer.
- e. Pathways called out on the Construction Legend item 'B' on Sheet 3 of Alan Mok Engineering Drawings are removed from Contractor's scope. Owner has decided to utilize their own concrete crews to complete the concrete paving work. All other work including demolition and grading upon completion of storm drain pipeline installation is still included within Contractor's scope of work.
- f. Note: Owner has contracted with Mok Engineering for the staking of the pipeline and basin work.

Fresno Chaffee Zoo Corporation  
Project No. 130410

Bid Due Date: 11-17-16, 8:00am PST  
Storm Drain Pipeline Extension Project

If you need further directions regarding the location of this pre-bid conference, please contact Mike Elrod at melrod@soltekpacific.com or phone 559-696-8668.


BIDDER MUST ACKNOWLEDGE THIS AMENDMENT BY SIGNING BELOW  
AND ATTACHING THE SIGNED AMENDMENT TO THE BID FORM:

Company Name Haydon Construction Inc.

Contact Person Alan Haydon

Signature 

Date 11/17/16

<div>  <div> PROJECT: Water Play Area PHASE I only  ADDRESS: 894 W Belmont Ave  PROJECT # FCZ #  DATE: 12/12/2016, REV 12-16-16 </div> </div>							
Budget Item	Vendor/ Subcontractor	Division	Cat. Code	Orig. Budget	Final Costs	ACTUAL Costs	Notes
<b>TRADE WORK</b>							
Civil Engineer	Mok Engineering			\$ -	\$ 1,260.00		GPR work prior to demolition work
Testing & Specialty Inspections	BSK Allowance			\$ -	\$ 14,820.00		same company do Storm Drain pipeline extension and WPA as they will more than likely run concurrently with UG activities-that is why it's an 'allowance' amount
Plan CK Fee/Permits Original	City of Fresno			\$ -	\$ -		
Plan CK Fee/Permits Extensions	City of Fresno			\$ -	\$ -		Costs covered under Storm Drain project
Permit Fee	SJVAPCD			\$ -	\$ -		
SWPPP REV 11-2016	Mok Engineering			\$ -	\$ -		Costs covered under Storm Drain project
SWPPP Original Fee	FMFCD			\$ -	\$ -		
	<b>Construction Subtotal</b>			\$ -	\$ 16,080.00	\$ -	
<b>SITE IMPROVEMENTS</b>							
Storm Drain, Sanitary Sewer, Water	Haydon			\$ -	\$ 51,459.00		Potholing existing utility locations where new lines will be installed, grind old walkways and reuse over the top once trenches are compacted and backfilled, Stub lines just outside new walkway locations.
Electrical, Comm, and Cameras	Harris Electric			\$ -	\$ 46,785.00		
Electrical	Harris Electric			\$ -	\$ -		OPTION \$33,850.00 - slurry coat/encasement of lines under 480v
Temporary Chain Link Fencing	Knights			\$ -	\$ 1,600.00		cloth on it. Have the fencing for 90 days. \$1300 for move in/out and 1 month with screening. Addtl month \$160.00 per month as necessary..
Demolition	FCZ			\$ -	\$ -		Remove existing light fixtures-salvage, remove plants that do not remain per plan
Demolition	Con Cal Demo			\$ -	\$ 6,950.00		Mass excavation of existing planter (688 cyds)
Demolition	Con Cal Demo			\$ -	\$ 27,500.00		Remove existing materials and get the site cleared out for other trades, salvage and turn over to FCZ signage, misc. items called out on plans to be used at a later date-drinking fountain, dinosaur tracks, etc.
	<b>Site Improvements Subtotal</b>			\$ -	\$ 134,294.00	\$ -	
<b>OFFSITE IMPROVEMENTS</b>							
				\$ -	\$ -		
				\$ -	\$ -		
	<b>Offsite Improvements Subtotal</b>			\$ -	\$ -		
			<b>SUBTOTALS</b>	\$ -	\$ 150,374.00	\$ -	
<b>Management Costs</b>							
Preconstruction Services				\$ -	\$ -		Mark Mathieson and Jon W. time charged to FCZ prior to Mike E.
Preconstruction Services				\$ -	\$ -		Included in Mngt. Services line item
Management Services	Soltek Pacific			\$ -	\$ 16,110.00	\$ -	
	Contingency			\$ -	\$ 15,037.40		
	<b>TOTAL</b>			\$ -	\$ 181,521.40		

NOTE: Prevailing Wages Included in ALL Bids

**Description of Phase I work:**

It is the intent of FCZ to capitalize on this time of year when guests activity decreases so that in doing so it will lessen the impact to guests visit as other times. FCZ wants Dino Dig and Restrooms to only be closed down for a short interval. This work described above is to complete the underground infrastructure in a short time frame that would then allow for the Dino Dig play area and Restrooms to be available during the remainder of work, Phase II.

For storm drain  
+ dm rates



550 West Locust Avenue  
Fresno CA 93850  
P 559.497.2880  
F 559.497.2886  
www.bskassociates.com

Sent via email: [bgoldman@fresnochaffeezoo.org](mailto:bgoldman@fresnochaffeezoo.org)

November 14, 2016

BSK Proposal CF16-14461R2

Mr. Brian Goldman  
Fresno Chaffee Zoo  
894 W. Belmont Avenue  
Fresno, California 93728

**SUBJECT:** Revised Proposal for Special Inspection and Materials Testing  
Fresno Chaffee Zoo Storm Drainage Extension  
894 W. Belmont Avenue  
Fresno, California 93728

Dear Mr. Goldman:

We are pleased to submit this revised proposal to provide Special Inspection and Materials Testing for the Fresno Chaffee Zoo Storm Drainage Extension project in Fresno, California.

#### SCOPE OF SERVICES

Our scope of services for this project includes:

- soils observations and compaction testing.

BSK understands that Fresno Chaffee Zoo will be constructing an extension of the existing storm drain pipeline.

#### SCOPE EXCLUSIONS

Our scope of services excludes:

- concrete and asphaltic concrete testing.

#### FEES

We will charge our services on a time and materials basis in accordance with the hourly rates listed in the Cost Estimate below. The hours listed in our Cost Estimate are only estimates, as we cannot account

O:\Proposals\CSD\Proposals CF16\14461-CF16 Chaffee Zoo Storm Drain\Fresno Chaffee Zoo Proposal CF16-14461R2 111416.docx

Environmental, Geotechnical, Construction Services, Analytical Testing - An Employee-Owned Company

Proposal for Special Inspection and Materials Testing  
Fresno Chaffee Zoo Storm Drainage Extension  
Fresno, California

BSK Proposal CF16-14461R2  
November 14, 2016  
Page 2

for delays of which we have no control, such as, but not limited to: retest and reinspections, contractor's schedule, contractor's means and methods, or number of workers on contractor's crew. We will separate retests, reinspections, standby, cancellations, and extra work on the monthly invoices as these will increase the total billing beyond what we estimated. We understand that this project will be subject to prevailing wage requirements. Travel time and mileage will be billed on a "portal-to-portal" basis from BSK-Fresno, with an on-site minimum of 2-hours, and 1-hour increments thereafter. Invoices will be submitted on monthly intervals based on the work completed during the invoice period. Any testing requested beyond that noted on the Cost Estimate will be charged in accordance with the 2016 BSK Fee Schedule rates. To accommodate construction schedules, BSK may subcontract special inspectors. Inspections performed by subcontract providers will be billed as specified for BSK employees, herein, and at the rates included in the Cost Estimate. BSK has a \$1,000 project minimum. If the total charges incurred for a project is less than \$1,000, the total billing will be \$1,000.

Cost Estimate

(PHI schedule 7-25 days)

FIELD SERVICES	RATE
Earthwork Construction	
Compaction Testing Technician	\$93.00
Soil Sample Pick Up For Compaction Curve	\$93.00
	RATE
Mobilization / Travel	\$93.00
	RATE
Mileage	\$0.88

$\times 10 \text{ dys} \times 8 \text{ hrs} = 7440$   
 $\times 15 \text{ ea} = 465$   
 $\times 15 \text{ dys} = 1395$

LABORATORY TESTING	RATE
Compaction Curves - Base Rock (6" Mold)	\$225.00
Compaction Curves - Site Soils (4" Mold)	\$210.00

$\times 5 \text{ ea} = 1050$

PROJECT MANAGEMENT & ADMINISTRATION	RATE
Registered Engineer (Review, support and reporting)	\$175.00
Project Manager (Field Oversight, Daily Report Review)	\$155.00
Administration (Data Processing, Report Prep., Field Coordination)	7% $\times$

$\times \text{Allow } 3500. -$   
 $\times \text{Sub } 969.50$

We based our Cost Estimate on the following assumptions:

- All field work will occur during normal business hours Monday through Friday;
- 8-hour work days (including travel time);
- Overtime will be charged at 1.5 times the hourly rate (for working 8 to 12 hours in one day);
- Shops and batch plants (if any) are local to Bakersfield, Fresno, or the Jobsite;
- Welding inspections are at a single shop for a single shift;
- Safe and adequate access to perform testing and inspections is to be provided by the shop, contractor, or client

$\$14,819.50$

Allowance

12-16-16



Proposal for Special Inspection and Materials Testing  
Fresno Chaffee Zoo Storm Drainage Extension  
Fresno, California

BSK Proposal CF16-14461R2  
November 14, 2016  
Page 3

It is our practice to notify you if it appears that our fees will exceed this estimation; although, due to the timing and nature of our services, this may not always be possible. BSK will make every effort to respond to the needs of your project. However, to provide better service, we ask that you schedule inspection and testing services at least 48 hours in advance. To avoid show-up charges, please cancel requests for service at least two working hours in advance of our arrival time.

#### GENERAL CONDITIONS AND LIMITATIONS

We have included a copy of the Agreement for Construction Materials Testing Services with this proposal and our General Conditions for Construction Materials Engineering and Testing Services.

We provide material testing and inspection services to help verify that the work is in conformance with the project documents. These services shall not be construed as acceptance of the work or relieve the contractor in any way from its obligations and responsibilities as outlined in the applicable construction documents. We assume no responsibility for the safety of others on the jobsite or the means and methods of construction.

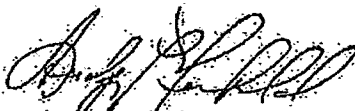
We will perform our services consistent with that level of care and skill ordinarily exercised by other consultants practicing in the same discipline and locale at the time the services are performed. No other warranties, either express or implied are provided. If changes occur in the design of the project, please notify us in writing.

#### AUTHORIZATION

If our proposal and general conditions are acceptable, please sign our agreement and return to us. We will countersign the agreement and return a copy to you.

We appreciate the opportunity to work with you on this project. If you have any questions, or require additional information or services, please contact the undersigned at (559) 497-2868.

Sincerely,  
BSK Associates



Andy Neufeld  
Project Manager  
Construction Services Group



On Man Lau, GE  
South Valley Regional Manager  
GE 2644

AN/OML/cc





Proposal for Special Inspection and Materials Testing  
Fresno Chaffee Zoo Storm Drainage Extension  
Fresno, California

BSK Proposal CF16-14461R2  
November 14, 2016  
Page 4

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Enclosures:    Agreement for Construction and Materials Testing Services  
                  General Conditions for Construction and Materials Testing Services



Proposal for Special Inspection and Materials Testing  
Fresno Chaffee Zoo Storm Drainage Extension  
Fresno, California

BSK Proposal CF16-14461R2  
November 14, 2016  
Page 5

# AGREEMENT FOR CONSTRUCTION MATERIALS ENGINEERING AND TESTING SERVICES

THIS AGREEMENT, effective as of this \_\_\_\_\_ day of \_\_\_\_\_ 2016, is by and between Fresno Chaffee Zoo ("Client") and BSK Associates ("Consultant").

THE PROJECT is generally described as Fresno Chaffee Zoo Storm Drainage Extension at 894 W. Belmont Avenue in Fresno, California 93728.

THIS AGREEMENT consists of the following documents which are incorporated herein by reference:

- General Conditions for Construction and Materials Testing Services;
- Consultant's Scope of Services presented in BSK's proposal CF16-14461R2, dated November 14, 2016.

Consultant agrees to perform the Services set forth in this Agreement and in accordance with its terms, including all attachments incorporated herein by reference. This Agreement may not be modified or altered, except in writing as specifically described in this Agreement.

	Client	Consultant
Signature:	_____	_____
Print Name:	_____	On Man Lau
Title:	_____	South Valley Regional Manager
Company:	Fresno Chaffee Zoo	BSK Associates
Address:	894 W. Belmont Avenue	550 West Locust Avenue
	Fresno, California 93728	Fresno, California 93650
Date:	_____	_____



**Haydon Construction Inc.****General Engineering Contractors**

P.O. Box 185 Clovis, Ca. 93613-0185  
 2350 N. Chestnut #103 Fresno, Ca. 93703  
 email: haydonconst@yahoo.com

UNION CONTRACTOR  
 Office : (559) 251-5522 Fax : (559) 251-6933  
 Lic. # 458977 expires 07/31/2018  
 SB # 1162580 DIR # 1000016950

**Quotation**

Project : CHAFFE ZOO, WATER PLAY AREA, PHASE I

Company : SOLTEK attn: MIKE ELROD

Address :

Ph. / Fax : melrod@soltekpacific.com

Date : December 6, 2016

Time:

Estimator : NATHAN SURINA

Item	Qty	Unit	Description	Unit Price	Extension
1	1	EA	MOBILIZATION	\$4,050.00	\$4,050.00
2	1	LF	4" SEWER PVC SDR-35	\$64.50	\$8,385.00
3	1	EA	SEWER CO's	\$410.00	\$820.00
4	1	EA	3" & 2" WATER SCH. 40	\$61.00	\$7,869.00
5	1	LF	3" & 2" WATER VALVES	\$785.00	\$1,570.00
6	1	EA	10", 8", & 6" STORMDRAIN PVC SDR-35	\$70.00	\$24,150.00
7	16	EA	DRAIN INLET P-6	\$425.00	\$2,975.00
8	17	EA	SD CO's	\$410.00	\$1,640.00

BASE BID

\$51,459.00

**Exclusions :**

Required permits, fees, & bonds by others.  
 If bond is required add 1.5%  
 Required testing, surveying and staking by others.  
 Asphalt Paving & Concrete Paving by others.  
 SWPPP, materials, implementation by others.  
 Demo, clearing, grubbing, stripping by others  
 Traffic control, construction signage, barricades by others  
 Excess materials will be stock piled on site.  
 Construction water source, meter to be supplied by others

# Proposal

T. N. J. ELECTRIC, INC. dba

HARRIS ELECTRIC

4679 N. El Capitan C-10 LIC #505816 DIR # 1000001897

Title 24 Acceptance ATE-0132 / TC-A814238

Fresno, California 93722

(559) 271-0970 FAX (559) 271-0580

Proposal Submitted to:

Soltek Pacific

Address:

1080 Holland Avenue

City, State and Zip Code:

Clovis CA 93612

Phone

(559) 294-7101

Job Name:

Childrens Water Play Area

Job Location:

Fresno Chaffee Zoo

Date:

December 12, 2016

## Provide as per plans and instructed for a partial installation of electrical sub structures to include:

- 1) Provide conduits as noted from IDF location in existing building to site. Provide rigid risers, building penetrations, pull cans and fire stopping. Provide site sub structure conduits to location as per highlighted plan sheet E-100.
- 2) Provide conduits as noted from IDF location in existing building to site. Provide rigid risers, building penetrations, pull cans and fire stopping. Provide site sub structure conduits to locations as per highlighted plan sheet E-200. Provide conduits to future lighting control panel location. Provide site pull boxes indicated.
- 3) Provide electrical excavations and backfill for sub structure electrical ducts. All conduits to have pull tape. All electrical trench paths to have traceable tape.
- 4) Provide electrical As-Builts indicating locations of site conduits.

## Exclusions:

- 1) Permits and fees.
- 2) Concrete encasement and sand backfill.
- 3) IDF in existing building, all power distribution panels, lighting control panels and all conduits not highlighted.
- 4) All receptacles, lighting fixtures, camera systems, communications, signal, alarm and systems wiring.

Sub Total: \$ 46,785.00

Adder for Slurry Concrete Encasement: \$ ~~33,050.00~~

Total \$ 80,435.00 46,785

Note: Pricing reflects current prevailing wage rates and certified payroll.

Note: Local concrete pumping sub contractors do not have DIR number.

Payment to be made as follows: Progress Payments

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado, and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.

Authorized

Signature

Tim Bremer

Note: This proposal may be withdrawn by us if not accepted within 30 days.

## Acceptance of Proposal

The above prices, specifications and conditions are satisfactory and are hereby accepted. Upon acceptance, this proposal becomes a binding contract. You are authorized to do the work as specified. Payment will be made as outlined above. In the event an action is filed for the purposes of enforcing this Contract or otherwise arising out of this Contract, the prevailing party in such action shall be entitled to attorney fees and court costs.

Signature

Date of Acceptance:



October 27, 2016

Fresno Chaffee Zoo Corporation  
Attn. Mr. Brain Goldman  
894 W. Belmont Ave  
Fresno CA 93728

RE. FRESNO CHAFFEE ZOO – CHILDRENS WATER PARK AREA

DIR Public Works Number 1000002905

**Scope of Work.**

Perform all demolition as per job walk & plans dated 9/12/2014 by Robert Boro. All demolition debris to be off hauled and disposed of legally.

**Permits.**

- Provide all notifications & USA Dig Alert for demolition scope.
- No Permit needed for this phase of work.

**Salvage Items.**

- Salvage all trees marked to remain as is Provide tree protection during.
- Provide demolition for access to FCZ to relocate Trees. (10)
- Salvage all Granite rocks and turn over to FCZ.
- Salvage existing Rock Drinking fountain.
- Salvage all Rock Retaining walls in place as is.

**Demolition.**

- Concrete saw & demo all Asphalt, concrete curbs & Sidewalks as noted.
- Removal of Wood Pole retaining wall & related footings.
- Removal of all Noted vegetation, sod & trees in Shaded area per plan.
- Concrete saw & demo to allow new GAS line to restroom Water Heater.

**Mass Excavation.**

- Removal of Raised planter area Dirt fill to 4 inches below grade. (688 CY)

**Bid Amount.**

Base Bid. \$ 27,500.00  
Mass Exc. \$ 6,950.00

**Exclusions.**

Layout, damage to unforeseen utilities, hazardous materials, cutting or capping of utilities, exterior lighting, Refrigerant Removal, fencing, shoring, scaffolding, Permits, disposal for other sub contractors.

Thank you,

*H. Gonzales*

Michael L. Gonzales  
Project Estimator  
Cell 559.994.2234

Office: 559.291.3366 • Fax: 559.291.3369  
3299 S. Cedar Ave. • Fresno California 93725 • [www.cencaldemo.com](http://www.cencaldemo.com)  
CA. Lic: 890315 A C-21 HAZ ASB • DGS SBE/ MB # 1191620  
Certified Minority Business Enterprise VON: 10090146  
Fresno Housing Authority Section 3 Certified - Cert # 9





Fresno Chaffee Zoo Corporation  
894 W. Belmont Ave  
Fresno, CA 93728  
(559) 498-5919 office  
[SBarton@fresnochaffeezoo.org](mailto:SBarton@fresnochaffeezoo.org)

12-16-16

Reference: Request for Budget Proposal  
Children's Water Play area project

Dear Mr. Barton:

Soltek Pacific Construction Company (Soltek Pacific) is pleased to express our interest and submit a proposal for project management services for the first phase of the Children's Water Play area project located at Fresno Chaffee Zoo.

The project is being phased in order to reduce the overall impact caused by underground infrastructure work such as Storm, Sanitary Sewer, Water, and Electrical lines installation. This work will require certain restrictions, but we believe in the work plan and schedule presented to the Zoo management and our ability to successfully prosecute it. Additionally, our staff has presented concepts to provide safe and secure routes to desired Exhibits such as the Restrooms and Dino Dig during the work.

It is our understanding through conversations with FCZ management, that the management of the construction process shall be in-house, therefore trade contractors would be contracted directly with FCZ for work activities. Soltek Pacific will assist the Owner in writing of contracts, scheduling, and gathering insurance documentation as per industry standards. Payments will be made directly from FCZ to trade contractors.

The following describes our overall approach to the management of the construction activities involved, and working knowledge of the project.

### **Scope and Deliverables**

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#### **Pre-Construction Phase Services**

- ◆ The project manager will be involved with the following;
  - Analysis of the current design documents including specifications for coordination issues and corrections as necessary
  - Assist the Owner with contract documents for Trade Contractors
  - Work through coordination issues, and value engineering ideas for Phase II
  - Work to obtain samples and select an artificial rock work/shotcrete trade contractor with FCZ management
  - Condense and Compile an RFQ/RFP package for Phase II Contractor outreach
  - Review SOQ documents for Phase II and select a Contractor with FCZ management
  - Review Contractors project schedule and provide comments
  - Obtain bid proposals for Owner furnished items for Phase II

Note: Some of these activities will start in the pre-construction phase, and will overlap into the start of construction activities due to the durations required to complete the task.



### Construction Phase Services

- ◆ The project manager will provide weekly project updates to FCZ Management including the following;
  - Analysis of the current project schedule and report any changes to the projects anticipated completion date
  - Status of the Owner's contingency including approved and anticipated change orders
  - Status of all closed, current and outstanding information requests, submittals and other items that need timely response by the Architect, Owner or Contractor
- ◆ In addition to the weekly reports the project manager will also:
  - Attend all construction meetings and provide meeting minutes
  - Provide change order evaluation and recommendations
  - Maintain complete and accurate document files
  - Assist with writing and negotiating contracts with trade contractors for the project
  - Provide written reports on all site visits including reason for visit and all items discussed during visit. Photographs of work in place will also be taken and provided via digital files at end of project or upon request by Owner.
  - Review pay applications and provide written recommendations on any modifications needed

### Fees, Conditions and Schedule

Soltek Pacific Construction company will provide professional project management resources suited to all phases of the Storm Drain pipeline extension project. The rates for these resources are as follows:

Construction Project Manager:	\$125.00 per hour
Project Manager:	\$110.00 per hour
Administrative Assistant:	\$45.00 per hour

Description	Estimated Hours	Rate	Estimated Cost
Construction Project Manager	60	\$125	\$7,500.00
Project Manager	75	\$110	\$8,250.00
Administrative Assistant	8	\$45	<u>\$360.00</u>
			Total Costs \$16,110.00

NOTE: This price represents an estimate based upon information gathered. If lesser hours are expended, a lower overall cost will be billed. If additional hours are required, authorization would be sought prior to exceeding the number of hours estimated.



Our team is ready to proceed with management services upon acceptance of the listed costs. I will remain the point of contact for FCZ including addressing any questions that you might have upon review of this document.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Elrod", is written over a horizontal line.

Mike Elrod, CM  
Soltek Pacific Construction

Cc: Ronald L. Hicks, VP, Soltek Pacific Construction  
Brian Goldman, CFO, Fresno Chaffee Zoo Corporation



## 2017 Zoo Authority Adopted Meeting Calendar

January						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	<b>25</b>	26	27	28
29	30	31				

February						
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26	27	28				

March						
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April						
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30						

May						
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28	29	30	<b>31</b>			

June						
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30	31					

August						
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27	28	29	<b>30</b>	31		

September						
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October						
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29	30	31				

November						
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December						
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24	25	26	<b>27</b>	28	29	30
31						

### Holidays and Observances

Jan 2 New Year's Day observed  
 Jan 16 Martin Luther King Day  
 Feb 20 Presidents' Day  
 Mar 31 Cesar Chavez Day

Apr 16 Easter Sunday  
 May 29 Memorial Day  
 Jul 4 Independence Day  
 Sep 4 Labor Day

Nov 10 Veterans Day, observed  
 Nov 23 Thanksgiving Day  
 Nov 24 County Holiday  
 Dec 25 Christmas Day

12/15/16

## FRESNO CHAFFEE ZOO

# Africa project contractor to get final payment

BY MARC BENJAMIN  
mbenjamin@fresnobee.com

The Fresno County Zoo Authority voted to release more than \$2 million to the African Adventure exhibit contractor that had been held up by Fresno Chaffee Zoo Corp., which said it was awaiting completion of certain projects.

The 6-0 approval Wednesday comes on the heels of Fresno Chaffee Zoo Corp.'s agreement last week to settle the lingering financial dispute with contractor Harris Construction over the company's work on the exhibit, which opened 14 months ago.

The amount in dispute was about \$2.16 million — 5 percent of the roughly \$43 million construction bill. Harris claimed that the withheld money was keeping its subcontractors from being fully paid for their work.

But zoo corporation officials contended the project wasn't finished, although they declined to disclose the work remaining other than to say none of it offered health or safety.

Last week following a closed session, zoo corporation board President John Valentino gave a brief statement acknowledging the board's approval of a "settlement agreement, which was borne out of mediation."

The terms were not announced, other than

that the withheld money would be released. A letter to zoo officials from Seattle-based Portico Group, the project's architect, said Harris will remain responsible for work required under warranty.

Paul Toste, a zoo authority board member, questioned a "confidential agreement" reached by the zoo corporation and Harris Construction. The agreement, he said, should be made public.

"There is a document that is in existence that resolves any issue related to this project and this board needs to be informed about this document before this decision is made," said Toste, who abstained in the vote. "We got a bunch of letters, it's public information there's contention between the contractor and the zoo."

He said the authority needs to know about items addressed in the confidential agreement between Harris Construction and the zoo corporation.

It isn't clear if the zoo corporation is legally required to provide the authority with the document, but the authority can request it, said Jane T. Smith, deputy county counsel, representing the authority.

Other authority members were comfortable with assurances from zoo and zoo corporation officials.

The funds had been authorized in the contract but were being retained

until the work was completed, said Gerald Lyles, a zoo authority member.

"It's not that this is a slush fund paying for contingencies," Lyles said. "It is a percentage of each approved payment for work that was authorized by the zoo authority."

Authority board member Peter Herzog said the issues are between Fresno Chaffee Zoo Corp. and Harris Construction.

"It's almost overstepping. We're treading into their business," he said. "This is work that's been done since Day One. ... I don't need to see (the agreement)."

The zoo corporation and Harris officials held a mediation session two weeks ago and reached an accord.

In a joint statement from Harris Construction and the zoo corporation board, both sides acknowledged that they "encountered a few obstacles on the project, a situation not uncommon on large and complex projects."

In an October letter to zoo officials, David Parkes, Harris president and CEO, said the company had many subcontractors who hadn't been fully paid.

Valentino said at the time the zoo corporation wouldn't disburse the money until it knew the work had been done and other issues addressed. At the same time, he noted African Adventure costs came in as budgeted and "we are generally pleased with the outcome."

African Adventure opened in October 2015, a major expansion of the zoo that has helped draw crowds. More than 1 million people have visited the zoo since then.

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# Chaffee Zoo mourns death of Moe the tapir, celebrates another big attendance year

BY ASHLEIGH PANOO  
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**A**mid a record-breaking attendance year for the Fresno Chaffee Zoo, zookeepers are mourning the death Sunday of the 29-year-old Malayan tapir, Moe. Kelsa, a 24-year-old female tapir, is now the sole inhabitant of the exhibit she once shared with Moe.

Moe's body has been sent out for a necropsy to determine the cause of death, said zoo marketing director Ciara Castellanoz. But in tapir years, "he was elderly," Castellanoz said.

It's too early to know if the zoo can acquire another Malayan tapir, an endangered species.

"First we have to talk with the Association of Zoos and Aquariums and the Species Survival Plan," Castellanoz said. The SSP program oversees the breeding of certain animals to make sure the populations stay diverse and sustainable, according to the Association of Zoos and Aquariums.

Born at the St. Louis Zoological Park, Moe was brought to the Chaffee Zoo in 2011. Castellanoz does not know if Moe lived elsewhere before his

## VIDEO

The Fresno Chaffee Zoo enjoys another year of record-setting attendance.

[www.fresnobee.com/video](http://www.fresnobee.com/video)

## ONLINE

See more photos.

[www.fresnobee.com](http://www.fresnobee.com)

5-year stint at the Fresno zoo, but she said Moe was one of the oldest tapirs in captivity. They typically live 25 to 30 years, whether in captivity or the wild.

Malayan tapirs can be found in Thailand, Malaysia and Indonesia, and subsist on grass, plants, twigs and low-hanging fruit. Moe's species is the largest of the four tapir species.

Moe was one of several animals that died at Chaf-

fee in 2016, including Catalina, a 9-year-old California sea lion, and a female warthog piglet named Makena. The year's births included lion cub Kijani, six red wolf pups, four warthog piglets and two red-ruffed lemurs.

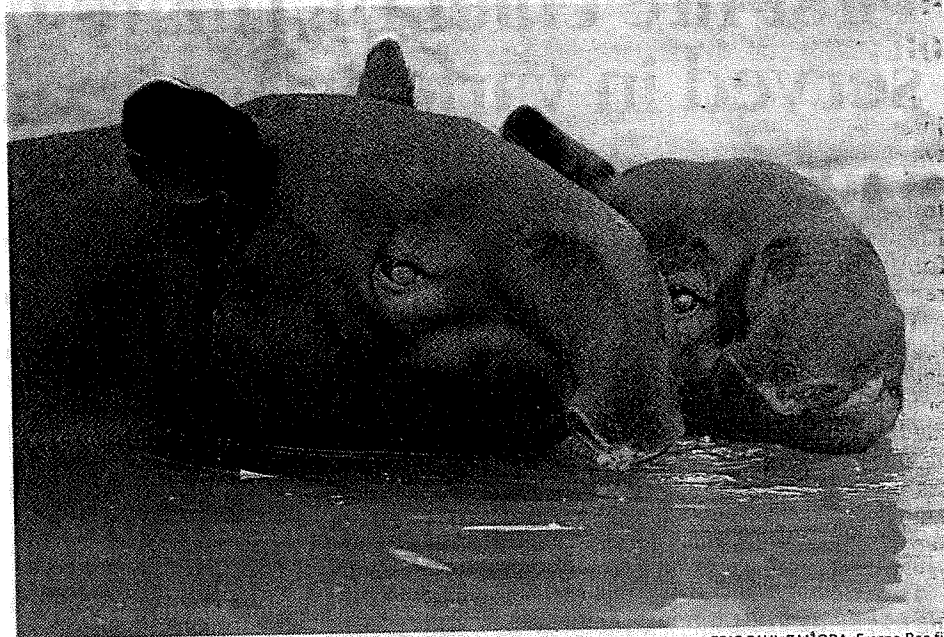
Moe's death comes during what is an otherwise wildly successful year for the Fresno Chaffee Zoo. While official numbers won't be out until the first week of January, the zoo has already surpassed its attendance record of 808,914 from last year.

More people have come to the zoo in recent years, steadily increasing attendance. In 2010, the zoo counted 443,251 attendees. If the rate of increase



SILVIA FLORES [sflores@fresnobee.com](mailto:sflores@fresnobee.com)

Visitors watch sea lions swim by in the sea lion exhibit at the Fresno Chaffee Zoo on Thursday. The zoo will set a new attendance record this year.



ERIC PAUL ZAMORA Fresno Bee file

Malayan tapirs Moe and Kelsa keep cool in water at the Fresno Chaffee Zoo on a hot day in July 2012 in Fresno.

remains the same as it has been for several years, the zoo is on track to double attendance between 2010 and 2016.

Castellanoz credits the success to the opening of the African Adventure exhibit in October 2015 and Sea Lion Cove, which opened in 2012.

"We opened a lot of new exhibits, and Measure Z (helped)," said Castellanoz. "Sea Lion Cove and African Adventure are both big draws."

Measure Z, which voters initially approved in 2004 and renewed in 2014, is a tenth-of-a-cent sales tax for improvements and operations at the zoo.

The zoo is ending the year with its annual Zoo Lights event, during which attendees enjoy hot chocolate, cookies and holiday music while watching the animals among the Christmas lights.

## TAPIRS TYPICALLY LIVE 25 TO 30 YEARS, WHETHER IN CAPTIVITY OR THE WILD.

Zoo Lights runs through Friday from 5 to 8 p.m. Tickets for Fresno Chaffee Zoo members are \$7 for adults and \$5 for children ages 2-11; for non-members, tickets are \$9 for adults and \$7 for chil-

dren ages 2 to 11. Younger children have free admission.

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**Contact:**

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**For Immediate Release**

January 10, 2017

**FRESNO CHAFFEE ZOO SETS SEVENTH CONSECUTIVE ANNUAL ATTENDANCE  
RECORD**

*Fresno, CA* – Fresno Chaffee Zoo officials are proud to announce that 2016 was not only an annual attendance record-breaking year, but it was also the largest annual attendance increase in the Zoo's history.

In 2016, 964,091 guests visited the Zoo, a 19 percent increase from 2015, which saw 808,914 guests.

"We are overjoyed with the outcome of 2016 and the direction that our Zoo is going," said Scott Barton, executive director at the Zoo. "We owe much of this increase to African Adventure and the community's continued support through Measure Z."

The largest monthly increase was in February 2016 when 87,878 guests visited the Zoo – a 100 percent increase from February 2015's attendance of 43,943.

While most guests came from California, the Zoo also welcomed guests from 29 countries and all 50 states.

Annual attendance wasn't the only number that increased at the Zoo; annual memberships saw a 10 percent increase. The Zoo finished 2016 with 18,856 household memberships.

"We have a number of upcoming projects," Barton said. "The soonest will be an expansion of Dino Dig and a children's water play area. After that, we will start working on two large projects – an Asian exhibit which will feature new and expanded spaces for Malayan tigers and sloth bears, followed by phase 2 of African Adventure which will bring hippos and crocodiles to Fresno."

*"Fresno Chaffee Zoo inspires wonder of our natural world, provides an engaging learning environment, and creates a passion for conservation."*

###



894 West Belmont Avenue

*Fresno's Chaffee Zoo Corporation*



Fresno, California 93728

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**FRESNO'S CHAFFEE ZOO CORPORATION**

**Agenda for the Finance Committee Meeting of the Board of Directors  
Wednesday, January 18<sup>th</sup>, 2017 at 4:00 pm  
Fresno Chaffee Zoo Education Building**

1. Call to order 4:00 pm
2. Roll Call: Directors Saladino, Dougherty, Rainwater, Valentino, Dr. Chen, CEO-Barton, CFO-Goldman.
3. Presentation from Regency Investment regarding Year-End Results.
4. Review, Discuss and Consider minutes from the December 21<sup>st</sup>, 2016 meeting.
5. Chair Report.
6. Review, Discuss, and Consider Green Initiatives for 2017.
7. Review, Discuss and Consider 2016 December Financial Statement.
8. Review, Discuss, and Consider Storm Drain Pipeline Extension Budget & Contracts.
9. Review, Discuss, and Consider Yamabe & Horn Engineering, Inc. Contract.
10. Review, Discuss, and Consider Presentation from Premier Valley Bank.
11. Public Comment.  
This time is set-aside for the public to comment on any item within the jurisdiction of the Board, but not appearing on the agenda. Items presented under public comment may not be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Board. Any person addressing the Board under public comment will be limited to a 3-minute presentation to insure that all interested parties have an opportunity to speak. Please state your name.
12. Finance Committee questions and comments.
13. Adjournment.



894 West Belmont Avenue

*Fresno's Chaffee Zoo Corporation*



Fresno, California 93728

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**FRESNO'S CHAFFEE ZOO CORPORATION**

**Agenda for the Meeting of the Board of Directors**

**Wednesday, January 18<sup>th</sup>, 2017 5:30 pm**

**Fresno Chaffee Zoo Education Building - Fresno, CA**

- 1. Call to order – 5:30 p.m.:**
- 2. Roll Call:**
- 3. Review, Discuss and Consider November 16<sup>th</sup>, 2016 Minutes:**
- 4. Chair Report:**
- 5. CEO Report:**
- 6. Fresno Chaffee Zoo Human Resources Update:**
  - Presenter: Chief Human Resources Officer, Laura Martina
- 7. Review, Discuss and Consider Standing and Ad Hoc Committee Reports and/or Action Items:**
  - a. Audit
  - b. Bylaws
  - c. Nominating
  - d. Finance
- 8. Review, Discuss and Consider Financial Report:**
- 9. Review, Discuss and Consider Storm Drain Pipeline Extension Budget & Contracts:**
- 10. Review, Discuss and Consider Yamabe & Horn Engineering Contract:**
- 11. Review, Discuss and Consider the Adoption of the updated FCZC Conflict of Interest Code:**
- 12. Old Business:**
- 13. New Business:**
  - Confirm February 15<sup>th</sup>, 2017 Board Meeting
- 14. Closed Session**
  - Conference with Legal Counsel –Employee Performance Evaluation (CEO)  
Pursuant Govt. Code 54957(b)
- 15. Public Comment:**

This time is set-aside for the public to comment on any item within the jurisdiction of the Board, but not appearing on the agenda. Items presented under public comment may not be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Board. Any person addressing the Board under public comment will be limited to a 3-minute presentation to insure that all interested parties have an opportunity to speak. Please state your name.
- 16. Board questions and comments:**
- 17. Adjournment:**





**Contact:**

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**For Immediate Release**

January 17, 2017

**FRESNO CHAFFEE ZOO EXPECTING FIRST RHINO CALF IN ZOO'S HISTORY**

*Fresno, CA* – Fresno Chaffee Zoo officials are thrilled to announce that the Zoo's pair of Southern white rhinoceros, Tim and Kayla, are expecting their first calf together.

Zookeepers and veterinary staff are expecting the calf to be born in approximately 30 days. While this will be Tim and Kayla's first calf together, it is Kayla's third pregnancy.

"We're thrilled to be expecting the first rhino calf in our Zoo's history," said Lyn Myers, general curator at Fresno Chaffee Zoo. "Tim and Kayla are both such charismatic animals and we can't wait to share this new addition with our guests so they can learn even more about this species."

Although veterinary staff have been unable to obtain an ultrasound confirming Kayla's pregnancy, they have been monitoring her closely.

"Since we do not have a hormonal profile on Kayla, and the abdominal wall of a rhino is too thick for an abdominal ultrasound, the only way to confirm her pregnancy is through a trans-rectal ultrasound," said Vernon Presley, curator at Fresno Chaffee Zoo. "That's not something that Kayla is accepting at this time. So, although we haven't been able to confirm it, all of Kayla's physical indications and behavioral changes point to pregnancy."

Kayla will be visible on exhibit intermittently over the next few weeks as she prepares for birth.

Both Tim and Kayla moved to Fresno in 2015 for the grand opening of African Adventure. Kayla was born in 2005 at Disney's Animal Kingdom while Tim was born in 1996 at San Antonio Zoological Gardens & Aquarium but came to Fresno from Busch Gardens Tampa Bay.

*"Fresno Chaffee Zoo inspires wonder of our natural world, provides an engaging learning environment, and creates a passion for conservation."*

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