

**FUNDING AGREEMENT NO.004-DMV-08/09-BOS
WITH AMERICAN RIVER MUSIC, INC**

This Agreement No. 004-DMV-08/09-BOS made and entered by and between the **EL DORADO COUNTY AIR QUALITY MANAGEMENT DISTRICT**, a county air pollution control district formed pursuant to California Health and Safety Code section 40100, et seq. (hereinafter referred to as "AQMD"); and American River Music, Inc., (hereinafter referred to as "CONTRACTOR");

W I T N E S S E T H:

WHEREAS, the California Clean Air Act requires local air pollution control districts to reduce emissions from motor vehicles; and

WHEREAS, AB 2766, codified in California Health and Safety Code section 44220, et seq., authorizes districts to impose a fee of up to four dollars upon certain registered motor vehicles within the AQMD, and the Governing Board of the AQMD has imposed said fee; and

WHEREAS, said legislation requires the AQMD to use said funds for activities related to reducing air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988; and

WHEREAS, CONTRACTOR has proposed a Project that meets the eligibility criteria of the AQMD and that has been approved by AQMD for funding; and

WHEREAS, CONTRACTOR represents that it is willing and able to perform the activities set forth herein.

NOW, THEREFORE, AQMD and CONTRACTOR mutually agree as follows:

1. PROJECT

CONTRACTOR shall perform all activities and work necessary to complete the American River Music Festival Shuttle Project (hereinafter referred to as "Project") set forth in the fully described "Proposal" attached hereto as Exhibit "A" and incorporated herein by this reference. CONTRACTOR agrees to furnish all labor, materials, equipment, licenses, permits, fees, and other incidentals necessary to perform and complete, per schedule, in a professional manner, the services described herein. CONTRACTOR represents that CONTRACTOR has the expertise necessary to adequately perform the Project specified in said Proposal.

In the event of any conflict between or among the terms and conditions of this Agreement, the Proposal incorporated herein, and the documents referred to and incorporated herein, such conflict shall be resolved by giving precedence in the following order of priority:

1. To the text of this Agreement;
2. Proposal to this Agreement; and
3. To the "Motor Vehicle Emission Reduction Projects Request for Proposals" (RFP) released to Interested Parties by the AQMD and dated 2008-2009.

2. PERIOD OF PERFORMANCE/TIMETABLE

CONTRACTOR shall commence performance of work and produce all work products in accordance with the Work Statement and deadlines for performance identified in the Proposal of this Agreement, unless this Agreement is terminated sooner as provided for elsewhere in this Agreement.

If requested by the AQMD, CONTRACTOR shall submit regular progress reports, at intervals determined by the AQMD, detailing the work performed during the current reporting period; work

planned for the next reporting period; problems identified, solved, and/or unresolved; and the percentage of each task completed. CONTRACTOR shall provide AQMD with a comprehensive final written report prior to the end of Agreement term. Said final report shall be complete and shall document the work performed under this Agreement.

3. TERM

The term of this Agreement shall be for the period of July 1, 2008 through June 30, 2009 unless terminated earlier in accordance with Article 7, Termination.

4. COMPENSATION

AQMD will pay the CONTRACTOR the sum of SIX THOUSAND DOLLARS AND NO CENTS (\$6,000.00) as follows:

CONTRACTOR shall obtain through other sources sufficient additional monies to fund the total cost of the Project as outlined in the Proposal. Satisfactory written evidence of such funding commitments shall be provided to AQMD prior to the release by AQMD of any funds under this Agreement. In the event funding from other sources for the total cost of the Project is not received by CONTRACTOR, AQMD reserves the right to terminate or renegotiate this Agreement. In accordance with Section 44233 of the California Health and Safety Code, CONTRACTOR agrees to limit expenditure of funds for the purpose of administration to not more than five percent of the monies distributed to CONTRACTOR. The AQMD is not obligated to pay CONTRACTOR for administrative costs exceeding five percent of the actual total cost of the Project.

The total obligation of the AQMD under this Agreement SHALL NOT EXCEED SIX THOUSAND DOLLARS AND 00/100 (\$6,000.00).

A. **PAYMENTS:** Advance payments shall not be permitted. Payments will be permitted only at which time an equivalent service has been completed. The AQMD shall reimburse CONTRACTOR quarterly, in arrears, after receipt and verification submitted to El Dorado COUNTY Air Quality Management District, Attention: Marcella McTaggart. Payment shall be made to CONTRACTOR by the AQMD upon submission and evaluation of the CONTRACTOR'S invoice of claim. Said invoice of claim shall set forth the work completed pursuant to this Agreement.

Upon receipt of proper documentation, and verification that CONTRACTOR has satisfactorily completed the work for which compensation is sought and that the work is in accordance with the Exhibit Summary Sheet attached hereto, AQMD will issue payment to CONTRACTOR within forty five (45) calendar days of verification.

The amount to be paid to CONTRACTOR under this Agreement includes all sales and use taxes incurred pursuant to this Agreement, if any, including any such taxes due on equipment purchased by the CONTRACTOR. The CONTRACTOR shall not receive additional compensation for reimbursement of such taxes and shall not decrease work to compensate therefore.

Concurrently with the submission of any claim for payment, CONTRACTOR shall certify (through copies of invoices issued, checks, receipts, and the like) that complete payment has been made to any and all subcontractors as provided.

It is understood that all expenses incidental to CONTRACTOR'S performance of services under this Agreement shall be borne exclusively by CONTRACTOR.

In no event shall compensation paid by the AQMD to the CONTRACTOR for the performance of all services and activities under this Agreement exceed the amount set forth in paragraph 4 COMPENSATION.

B. Surplus Funds: Any compensation under this agreement, which is not expended by CONTRACTOR pursuant to the terms and conditions of this Agreement by the Project completion date, shall automatically revert to the AQMD. Only expenditures incurred by the CONTRACTOR in the direct performance of this Agreement will be reimbursed by the AQMD. Allowable expenditures under this Agreement are specifically established and included in the Proposal.

C. Closeout Period: All final claims shall be submitted by CONTRACTOR within sixty (60) days following the final month of activities for which payment is claimed. No action will be taken by AQMD on claims submitted beyond the 60-day closeout period.

5. NON-ALLOCATION OF FUNDS

The terms of this Agreement and the services to be provided thereunder are contingent on the approval of funds by the appropriating government agency. Should sufficient funds not be allocated, the services provided may be modified or this Agreement terminated at any time by giving the CONTRACTOR thirty (30) days prior written notice.

6. INDEPENDENT CONTRACTOR LIABILITY

CONTRACTOR is, and shall be at all times, deemed independent and shall be wholly responsible for the acts of CONTRACTOR'S employees, associates, and subcontractors, in connection with the installation, operation, use and maintenance of the Project.

7. TERMINATION

A. **Breach of Agreement:** AQMD may immediately suspend or terminate this Agreement, in whole or in part, where in the determination of the AQMD there is:

1. An illegal or improper use of funds;
2. A failure to comply with any term of this Agreement;
3. A substantially incorrect or incomplete report submitted to the AQMD; or
4. Improperly performed services.

In no event shall any payment by the AQMD constitute a waiver by the AQMD of any breach of this Agreement or any default, which may then exist on the part of the CONTRACTOR. Neither shall such payment impair or prejudice any remedy available to the AQMD with respect to the breach or default. The AQMD shall have the right to demand of the CONTRACTOR the repayment to the AQMD of any funds disbursed to the CONTRACTOR under this Agreement which in the judgment of the AQMD were not expended in accordance with the terms of this Agreement. The CONTRACTOR shall promptly refund any such funds upon demand.

In addition to immediate suspension or termination, AQMD may impose any other remedies available at law, in equity, or otherwise specified in this Agreement.

B. **Without Cause:** Either party may terminate this Agreement at any time upon giving the other party at least thirty (30) days advance, written notice of intention to terminate. In such case, the AQMD shall, subject to paragraph 4, pay its pro rata share of the reasonable value of all services satisfactorily rendered and actual, reasonable costs incurred up to the time of the termination. Upon such termination, all the work product produced by CONTRACTOR shall be promptly delivered to the AQMD.

8. CHANGES TO AGREEMENT

This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

9. INDEMNIFICATION

CONTRACTOR shall defend, indemnify, and hold the AQMD harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorneys fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, AQMD employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the CONTRACTOR'S activities and work necessary to complete the Project unless such claim, loss, damage, injury or death is the result of the sole or active negligence of the AQMD. This duty of CONTRACTOR to indemnify and save AQMD harmless includes the duties to defend set forth in California Civil Code, Section 2778.

AQMD shall indemnify CONTRACTOR against and hold it harmless from any loss, damage, and liability for damages, including attorney fees and other costs of defense incurred by CONTRACTOR, whether for damage to or loss of property, or injury to or death of CONTRACTOR'S officer's, agents, or employees which shall in any way arise out of or be connected with AQMD's performance of its obligations hereunder, unless such damage, loss, injury, or death shall be caused by the sole or active by negligence of the CONTRACTOR.

10. AUDITS AND INSPECTIONS

CONTRACTOR shall at any time during regular business hours, and as often as AQMD may deem necessary, make available to AQMD for examination all of CONTRACTOR'S records and data with respect to the matters covered by this Agreement. CONTRACTOR shall, and upon request by AQMD, permit AQMD to audit and inspect all of such records and data necessary to ensure CONTRACTOR'S compliance with the terms of this Agreement. CONTRACTOR shall be subject to an audit by AQMD or its authorized representative to determine if the revenues received by CONTRACTOR were spent for the reduction of pollution as provided in AB 2766 and to determine whether said funds were utilized as provided by law and this Agreement. If, after audit, AQMD makes a determination that funds provided CONTRACTOR pursuant to this Agreement were not spent in conformance with this Agreement, or AB 2766 or any other applicable provisions of law, CONTRACTOR agrees to immediately reimburse AQMD all funds determined to have been expended not in conformance with said provisions.

CONTRACTOR shall retain all records and data for activities performed under this Agreement for at least three (3) years from the date of final payment under this Agreement or until all state and federal audits are completed for that fiscal year, whichever is later.

11. NOTICES TO PARTIES

All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to AQMD shall be in duplicate and addressed as follows:

CONTRACTOR

American River Music, Inc.
PO Box 830
Lotus, CA 95651
Attn: Matt Semonsen
Executive Director

AQMD

El Dorado County
Air Quality Management District
2850 Fairlane Court
Placerville, CA 95667
Attn: Marcella McTaggart,
Air Pollution Control Officer

12. TIME IS OF THE ESSENCE

It is understood that for CONTRACTOR'S performance under this Agreement, time is of the essence. The parties reasonably anticipate that CONTRACTOR will, to the reasonable satisfaction of the AQMD, complete all activities provided herein within the time schedule outlined in the Proposals to this Agreement.

13. COMPLIANCE WITH APPLICABLE LAWS

CONTRACTOR will comply with all federal, State, and local laws and ordinances which are or may be applicable to the PROJECT to be undertaken by the CONTRACTOR including but not limited to California Health and Safety Code sections 44220 et seq, all Air Resources Board and AQMD criteria there under, prevailing wage and work day definitions where applicable, contracting license requirements and permits.

14. NO THIRD-PARTY BENEFICIARIES

Nothing in this Agreement shall be construed to create any rights of any kind or nature in any other party not a named party to this Agreement.

15. VENUE

Any dispute resolution action arising out of this Agreement, including but not limited to litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in

accordance with the laws of the State of California. CONTRACTOR waives any removal rights it might have under Code of Civil Procedure section 394.

16. ENTIRE AGREEMENT

This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

17. AGREEMENT ADMINISTRATOR

The AQMD Officer or employee with responsibility for administration of this Agreement is Marcella McTaggart, Air Pollution Control Officer or her successor. The CONTRACTOR Officer or employee with responsibility for administration of this Agreement is Matt Semonsen, Executive Director or his successor.

18. AUTHORIZED SIGNATURES

The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.


19. PARTIAL INVALIDITY

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

20. BUSINESS LICENSE

It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County or City of South Lake Tahoe or City of Placerville business license unless exempt under County Code Section 5.08.070.

AGREEMENT ADMINISTRATOR CONCURRENCE:


By:  Dated: 5-29-08

**Marcella McTaggart
Air Pollution Control Officer
El Dorado County Air Quality Management District**

REQUESTING DEPARTMENT CONCURRENCE:

By:  Dated: 5-29-08

**Marcella McTaggart
Air Pollution Control Officer
El Dorado County Air Quality Management District**

By:  Dated: May 30, 2008

**Gerri Silva, M.S., R.E.H.S
Director
El Dorado County Environmental Management Department**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first herein above written.

**CONTRACTOR
AMERICAN RIVER MUSIC, INC**

**AQMD
EL DORADO COUNTY
AIR QUALITY MANAGEMENT DISTRICT**

Date: 5-29-08

Date: _____

By: 

By: _____

**Matt Semonsen
Executive Director**

Chair

**Attest:
Cindy Keck,
Clerk of the Board**

Date: _____

By: _____

EXHIBIT "A"
PROPOSAL

EXHIBIT SUMMARY SHEET

Applicant: American River Music, Inc.
Contact Person: Matt Semonsen
Address: PO Box 830 Lotus, CA 95651
Telephone #: 530 622-6044 FAX # 530 622-6044

Project Budget	AB 2766 Funds	\$ Matching Funds	In-Kind Match	Total Project Costs
Materials	\$	\$	\$	\$
Personnel	\$	\$	\$	\$
Other	\$ 19,800	\$ 2,200	\$	\$ 22,000
TOTAL	\$ 19,800	\$ 2,200	\$	\$ 22,000

Alternative Project Budget	AB 2766 Funds	\$ Matching Funds	In-Kind Match	Total Project Costs
<i>Materials</i>	\$	\$	\$	\$
<i>Personnel</i>	\$	\$	\$	\$
<i>Other</i>	\$ 6,000	\$ 2,000	\$	\$ 8,000
TOTAL	\$ 6,000	\$ 2,000	\$	\$ 8,000

Estimate Emission Reductions/Cost-Effectiveness	As Proposed	Alternate Funding Level
Useful Life of Project (years)	1	1
Total Lifetime Emissions Reduced	215.35	215.06
Annualized Cost-Effectiveness (total project costs Divided by emissions =\$/lb)	\$102.16	\$37.20
Annualized Cost-Effectiveness (AQMD funded Project costs divided by emissions = \$/lb)	\$94.7	\$28.74

Brief Project Description: The project will shuttle American River Music Festival patrons and volunteers who are staying at the festival's three sponsoring campgrounds to Henningsen-Lotus County Park, the main stage location, and back to the campgrounds during the two-day main stage festival hours of operation.

REQUEST FOR PROPOSAL CONTENTS CHECKLIST

Applicant: American River Music, Inc.

Please complete and attach this checklist with your application.

- Exhibit Summary Sheet (Cover) – page 1
- Request for Proposal Contents Checklist (Second Page) – page 2
- Authorization Letter/Resolution page 3
- Project Description – page 4
- Project Organization/Background – page 5
- Emission Benefits/Cost Effectiveness – page 6
- Work Statement – page 7
- Funding Request/Cost Breakdown – page 8
- Matching Funds – page 9
- Schedule of Deliveries/Self-Monitoring Program – page 10
- Local TPA Review (When Applicable) – page N/A
- 2 Copies of Proposal – page _____

2-01-2008

To Whom It May Concern,

Please use this letter as authorization for American River Music, Inc. to submit a proposal to the El Dorado County Air Quality Management District for FY 08/09 AB2766 Motor Vehicle Emission Reduction Project.

Sincerely,

A handwritten signature in cursive script that reads "Matt Semonsen". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Matt Semonsen
Executive Director, American River Music, Inc.
P.O. Box 830
Lotus, CA 95651
530 622-6044
matt@americanrivermusic.org

American River Music, Inc. Project Description

On September 19-21, 2008 American River Music, Inc. (ARM) is hosting the American River Music Festival at the Henningsen-Lotus County Park and three sponsoring campgrounds in Lotus and Coloma. There will be up to 1500 ticket buyers and volunteers camping at Camp Lotus, American River Resort, and Earthtrek. ARM anticipates up to 750 cars arriving to the campgrounds on Friday the 19th and departing on Sunday the 21st.

The project is for ARM to provide bus shuttles from the campgrounds (Camp Lotus, American River Resort, and Earthtrek) to the main stage (Henningsen-Lotus Park) and back during the festival's main stage hours of operation. The main stage hours of operation are Saturday and Sunday, September 20-21 from 9:30 A.M.-7:00 P.M. ARM's objective is to allow campers to leave their cars parked at their campground for the duration of the festival instead of having them drive from their campground to the park and back for the two days of main stage events. The driving distance between Camp Lotus and Henningsen-Lotus Park is 1.5 miles. The driving distance between American River Resort and Henningsen-Lotus Park is 2 miles, and the driving distance between Earthtrek and Henningsen-Lotus Park is 1 mile.

The Project Emissions Benefits/Cost Effectiveness calculations are described as:

Effectiveness Period=1 year

Days (D) = 2

Daily ridership (R), R=4000 and is based upon 1000 campers riding once to the main stage and once back to their campground, and 500 campers riding twice to the main stage and twice back to their campground (based upon last year's ridership).

Annual Van/Shuttle VMT (Van VMT) =635 and is based on the distance of each shuttle loop and the number of projected loops done from each campground.

All other numbers are default numbers.

Due to the limited access to Henningsen-Lotus Park and the area's road situation ARM anticipates high auto idling times, very slow auto driving speeds and traffic congestion without the use of the shuttles.

The scope of work of the project is for both Saturday and Sunday ARM to contract for up to ten 47-passenger buses from 9:30 A.M. to 12:00 P.M. to shuttle campers to the park, and 6:00 P.M. to 7:00 P.M. to shuttle campers back to their campground. These times represent when the majority of attendees will need transportation to and from Henningsen Park. Additionally, ARM will contract for three buses to operate on an hourly scheduled shuttle from 1:00 P.M. to 5:00 P.M. on Saturday and Sunday to/from each campground.

There are two project budgets. The first budget is based upon contracting for up to ten 47-passenger buses from a charter transportation company. This project option has higher costs due to travel distances to and from the bus terminal, and all day rental charges. The buses will travel up to 60 miles to arrive at the shuttle location. The second budget is based upon contracting with up to four Coloma-Lotus based Whitewater Outfitter's buses providing the same overall number of buses. This project option has lower costs due to all buses located within 1 mile of the shuttle locations and lower average daily rental rates. The Outfitters have kept their quotes low to assist in the successful operation of the festival.

American River Music, Inc. Project Organization/Background

American River Music, Inc. (ARM) was formed in 2007 as a non-profit California Corporation with a mission to teach, inspire and enjoy music.

ARM received its federal tax-exempt status through the North American Folk Alliance Group Exemption Program. ARM is fulfilling its mission by focusing on El Dorado County based music programs such as elementary school assemblies, teaching workshops, scholarships and used instrument collection and distribution.

The American River Music Festival is the primary fundraiser for ARM. The 2008 festival will be held on September 19-21 at the Henningsen-Lotus County Park and three sponsoring campgrounds. The campgrounds are Camp Lotus, American River Resort and Earthtrek. There will be up to 19 performances and workshops by world and nationally renowned artists such as The Slambovian Circus of Dreams, Joe Craven, The Refugees, David Jacobs-Strain and others. **ARM successfully completed a similar project at the 2007 festival.** The festival's shuttle coordinator is an ARM board member with a great deal of shuttle/bus experience.

In 2007 ARM secured a loan to fund festival operations, and has a committed and experienced board of directors to organize and operate the festival. An experienced festival operator who assisted with the 2007 festival stated that it was as well run as any he had seen.

ARM needs AB2766 funds as the estimates for contracting through either a charter bus company, or Whitewater Outfitter buses is one of the highest line item expenses of the festival's budget. Estimates for private charter bus rental are \$1100/bus/day, and for Coloma based Whitewater Outfitter buses the costs average \$400/bus/day. Depending on the number of campers at the festival, and the choice of contract the total cost could be \$22,000.

American River Music Festival Shuttle Project Emissions Benefits/Cost Effectiveness

Effectiveness period	= 1 year
Days (D)	= 2
Ridership (R)	= 4000
Annual Van/Shuttle VMT (Van VMT)	= 635
Adjustment (A) on auto trips	= .83
Auto Trip Length (L)	= 16
Adjustment (AA) for auto Access to and from shuttle	= .75
Trip Length (LL) for auto Access to and from shuttle	= 5

$$\text{Annual Auto Trip Reduced} = [(D) * (R) * (A)] * [1 - (AA)]$$

$$[2 \times 4000 \times .83] \times [1 - .75] = 1,660 \text{ trips/year}$$

$$\text{Annual Auto VMT Reduced} = [(D) * (R) * (A)] * [(L) - \{(AA) * (LL)\}]$$

$$[2 \times 4000 \times .83] \times [16 - (.75 \times 5)] = 81,340 \text{ miles/year}$$

Annual Emission Reductions for Project Budget

$$\text{ROG} = [(1660 \times 1.143) + (81340 \times .424) - (635 \times .23)] / 454 = 79.82 \text{ lbs/year}$$

$$\text{NOx} = [(1660 \times .612) + (81340 \times .538) - (635 \times 1.29)] / 454 = 96.82 \text{ lbs/year}$$

$$\text{PM10} = [(1660 \times .008) + (81340 \times .218) - (635 \times .27)] / 454 = 38.71 \text{ lbs/year}$$

Annual Emission Reductions for Alternate Project Budget

$$\text{ROG} = [(1660 \times 1.143) + (81340 \times .424) - (635 \times .38)] / 454 = 79.61 \text{ lbs/year}$$

$$\text{NOx} = [(1660 \times .612) + (81340 \times .538) - (635 \times 1.29)] / 454 = 96.82 \text{ lbs/year}$$

$$\text{PM10} = [(1660 \times .008) + (81340 \times .218) - (635 \times .33)] / 454 = 38.63 \text{ lbs/year}$$

$$\text{Capital Recovery Factor (CRF)} = 1.03$$

$$\text{Cost Effectiveness of Funding Dollars} = (\text{CRF} \times \text{Funding}) / (\text{ROG} + \text{NOx} + \text{PM10})$$

Project Budget	$1.03 \times \$19,800 / (79.82 + 96.82 + 38.71) = \$94.70/\text{lb}$
Alternate Project Budget	$1.03 \times \$6,000 / (79.61 + 96.82 + 38.63) = \$28.74/\text{lb}$

American River Music, Inc. Work Statement

2008

January-September

The festival web site, www.americanrivermusicfestival.org, offers information on festival camping and shuttle service.

May-September

Tickets go on sale

September

Finalize total camping patrons

Finalize # of buses needed to shuttle efficiently

Organize bus shuttle loops

Print shuttle times

Create color-codes for buses and campground patrons

Staff campground hosts to assist campers with shuttles

Staff main event hosts to assist campers with shuttles

September 20-21

Post shuttle times at all campgrounds and Henningsen-Lotus Park

Provide shuttle service from 9:30 A.M.-7:00 P.M.

September 20-21 make public education announcement at the main stage regarding acknowledgment the shuttle project was funded in part by the District utilizing AB2766 DMV Surcharge Funds.

American River Music, Inc. (ARM) Funding Request/Breakdown of Cost

ARM respectfully requests \$19,800 or \$6,000 of AB2766 DMV Surcharge Funds. The fund request is for a project and alternate project budget based upon the types of contracts awarded for bus shuttles for the American River Music Festival.

The festival takes place on September 19-21, 2008 in Coloma, and anticipates up to 1500 ticket buyers and volunteers camping and lodging in the festival's three sponsoring campgrounds (American River Resort, Camp Lotus and Earthtrek).

ARM will contract for up to 10 buses to shuttle these folks to the main stage area (Henningesen-Lotus Park) and back to the campgrounds between the hours of 9:30 A.M.- 7:00 P.M. on September 20-21 which are the main stage operating hours.

The \$19,800 request is based upon a project cost of \$22,000 reflecting private charter full day bus rental rates of \$1100/bus/day.

The \$6,000 request is based upon an alternate project cost of \$8,000 reflecting bus rental rates from four Whitewater Outfitters in the Coloma-Lotus Valley. This lower cost reflects the fact that the buses are stationed within 1 mile of Henningesen-Lotus Park, and the local companies have an interest in seeing the festival succeed.

Project Cost:	\$22,000
Funding Source:	\$19,800 AB2766
	\$2200 ARM matching funds

Alternate Project Cost:	\$8,000
Funding Source:	\$6,000 AB2766
	\$2,000 ARM matching funds



2-08-2008

To whom in may concern,

Please use this document as American River Music, Inc.'s **Letter of Commitment**

American River Music, Inc. (ARM) will provide monetary matching funds of \$2200 for the project proposal, and \$2000 for the alternate project proposal.

ARM has secured the necessary funds for the operation of the festival, which are deposited in an account with El Dorado Savings Bank. ARM will provide bank statements upon request. Additionally, the board of directors of ARM has approved an available loan to meet any unanticipated shortfall.

The festival has three sources of revenue: ticket sales, sponsorship and festival beverage, vending and merchandise sales all of which are dedicated to meet expenses of the festival including matching funds of the AB2766 grant.

Also note that ARM met its matching funds requirement for the 2007 shuttle project.

Respectfully,

Matt Semonsen
Executive Director and Board President, ARM

**American River Music, Inc. (ARM) schedule of
Deliverable/Monitoring Program**

Deliverables:

September 20-21, 2008 provide up to ten 47-passenger buses for shuttles from Camp Lotus, Earthtrek and American River Resort to Henningsen-Lotus Park and back between the hours of 9:30 A.M.- 12:00 P.M. and 6:00 P.M.-7:00 P.M. From the hours of 12:00 P.M.-6:00 P.M. there will be either three buses or three 15 passenger vans (one for each campground) shuttling campers on a posted schedule hourly.

Monitoring:

ARM will provide a total passenger and per bus passenger usage report to EDCAQMD.